

# DEVELOPMENT PROPOSAL

## Downtown Development City of Morgan Hill



Submitted to:



CITY OF MORGAN HILL

**City of Morgan Hill**

**City Clerk's Office**

**Attention: Mr. David Heindel, Assistant to the City Manager**

17555 Peak Avenue  
Morgan Hill, CA 95037

**December 14, 2009**

**ROEM**  
CORPORATION





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December 14, 2009

**Mr. David Heindel**  
Assistant to the City Manager  
City of Morgan Hill  
17555 Peak Avenue  
Morgan Hill, CA 95037

Dear Mr. Heindel:

ROEM Development Corporation (ROEM) is extremely appreciative of the opportunity to respond to the Downtown Development Opportunity Request for Qualifications.

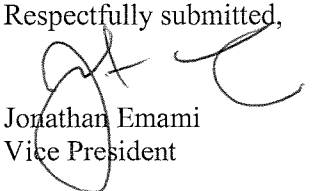
**Why ROEM should be selected?** ROEM has exceptional experience in developing affordable housing. Our projects range from transit oriented type development, urban in-fill, and build-to-suit projects. We embrace the challenges facing the Downtown Development Opportunity and look forward to the opportunity to collaborate with the City on developing a wonderful project. As an award winning developer, ROEM aims to develop a high-quality community that is within budget and on schedule all while exceeding the City's expectations. ROEM has been selected as the developer for publicly owned parcels on multiple occasions. We have consistently brought these developments to fruition through close collaboration with public agencies.

**Our Proposal:** ROEM envisions a spectacular affordable rental housing project on Block 16, Site D that will rival any market rate apartment community. It will feature the highest quality architectural design and will be sensitive to the surrounding land uses. A total of approximately 222 residential units will be provided in three and four story podium type buildings. The project will contain several amenities including: a community room with fireplace, a library with a seating area, an entertainment area with a flat screen television, a homework center with computers, a full size kitchen with a bar style counter area, abundant open space with lush landscaping, play structure, and a swimming pool. All parking will be provided in a partially or fully submerged garage. ROEM understands that a critical piece of this particular site is the replacement of VTA's existing parking and ROEM is confident in our ability to design and construct a parking structure adjacent to the new residential units that will meet the needs of all stakeholders.

**Financing Plan:** After reviewing multiple financing scenarios, ROEM is recommending pursuing the 9% federal tax credit program. This program allows the best leverage of City of Morgan Hill housing funds. Please see the proposed project concept section of this proposal for a more detailed discussion of the estimated City assistance required for project feasibility.

We appreciate your consideration of this Proposal and are excited to begin work on this development. We look forward to establishing a long-term relationship with the City of Morgan Hill.

Respectfully submitted,

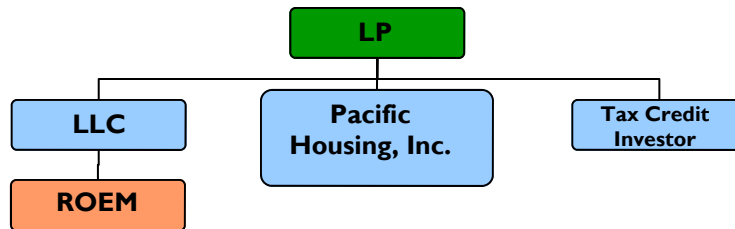


Jonathan Emami  
Vice President





## DEVELOPMENT TEAM



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### General Partner

ROEM will form an LLC (“LLC”) which will be a general partner of a limited partnership that will be purchasing or ground leasing the property from the City of Morgan Hill and the VTA.

ROEM shall have primary responsibility for managing the entitlement process, including soliciting proposals and executing contracts with all consultants and interfacing with architects and engineers. Additionally, ROEM will work with VTA to negotiate a purchase/lease including any replacement parking needs that they will require.

ROEM will be responsible for the oversight of the operations for the property, including accounting and compliance and the hiring and oversight of property management companies.

### Managing General Partner

Pacific Housing, Inc. a California Non-Profit, Public Benefit Corporation, will be the Managing General Partner for the project. Its responsibilities will include overseeing program utilization and evaluating effective service delivery. Pacific Housing, Inc. is committed to ensuring that all residents at our sites have the opportunity to participate in quality resident programs that can enrich their lives and enhance their potential for success.

### Other Team Members

ARCHITECT: KTGy Group, Inc

GENERAL CONTRACTOR: ROEM Builders, Inc.

PROPERTY MANAGEMENT: FPI Management, Inc.

LEGAL REPRESENTATIVE: Cox Castle & Nicholson,





## DEVELOPMENT TEAM



### **ROEM Development Corporation**

1650 Lafayette Street  
Santa Clara, CA 95050  
Phone 408-984-5600  
Fax 408-984-3111  
www.roemcorp.com

Contact:

Jim Rendler, Director of Land Acquisition  
jrendler@roemcorp.com  
408-984-5600 x 37

As a California C Corporation, ROEM Development Corporation will be forming a special purpose limited liability company with whom the City may contract. The executives of ROEM includes:

- Robert Emami, President/CEO
- Jonathan Emami, Vice-President
- Marcus Griffin, Director of Finance

Robert Emami, President and CEO of ROEM Development Corporation, has been building new communities in Northern California for almost 30 years. He began his career in real estate as a broker managing a highly successful office of 30 agents in the late 70's and on through the early 80's. After several joint ventures, he discovered his passion was not just selling housing but building it. In 1988, he founded ROEM Development Corporation and began doing just that. As projects became larger it was no longer feasible for ROEM to self-perform the majority of the construction and work involved in building a quality home.

Thus in 1999 ROEM Builders Inc. was founded as the general contractor and construction management firm of ROEM Development Corporation. With the construction and development efforts separated, new divisions formed: a Development entity handling acquisitions, planning, design, financing, and overall project development; and a General Contracting side overseeing all project construction. This integrated structure has not only promoted even higher quality projects, but has also improved our project budgets, timelines, and overall management while giving ROEM ultimate control and responsibility of development from the beginning to end.

In early 2002, ROEM founded yet another subsidiary, MIRO Design Group as a planning and architecture firm. The addition of this in-house architectural firm not only strengthened the foundation of ROEM Corporation, but also entitled more control over the success of the projects ROEM develops as a cutting edge design firm.

Though growing constantly throughout the years, ROEM has never lost its focus on developing projects that are at the pinnacle of industry standards. This commitment to quality has led to ROEM winning numerous awards, such as the Silicon Valley Business Journal's Developer of the Year for 2004 and Multifamily Housing Devel-

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opment of the Year in 2005 for Corde Terra Apartments. In 2006, ROEM was awarded the Best Affordable Housing Development of the Year by the Silicon Valley Business Journal for the Bella Castello Apartments project. ROEM was also runner up for the Silicon Valley Business Journal's Developer of the Year and the Mixed-use Project of the Year for its Montecito Vista Urban Village Master Planned Development while MIRO Design Group was a finalist for the Architecture/Design Firm of the Year. Most recently NALHFA, the National Association of Local Housing Finance Agencies, awarded ROEM Corporation and the City of San Jose the annual Multifamily Excellence Award in recognition of Corde Terra Village. We pride ourselves on working with existing neighborhoods and delivering products that exceed expectations. In our pursuit of excellence, there is simply no substitution for creative, honest and hard work.

### ROEM's Mission

ROEM Corporation is committed to creating high-quality, high-value infill communities for everyone. Through integrated and innovative planning, design, development, construction management, and marketing we provide innovative solutions to complicated urban housing and commercial demands. As a model developer for the 21st century, we will continue to collaborate with municipalities, academics of higher learning and community residents to achieve our collective goals for the future character of our surrounding urban fabric and the families who dwell within it.

### Vision

The cornerstone of ROEM's corporate philosophy is an unwavering commitment to bringing communities together through quality housing. It is the passion of our CEO, Robert Emami, to provide quality housing for both market rate and affordable demands. Our target markets are comprised of:

- Infill mid-density single-family or high-density multi-family market-rate housing
- Master-planned mixed-use, mixed-income, mixed-density development
- Affordable high-density family and senior housing

To meet the demands of a changing market and industry, ROEM progressively works to establish communities of mixed-income, mixed-use, and mixed-densities within an infill urban framework. ROEM's integrated design and development approach provides the flexibility to explore innovative responses to questions posed by an uncertain and ever-changing industry.

### Sustainable Development

ROEM is committed to creating wholesome communities that are not only sustainable, eco-friendly and green; but are designed smarter and built better to ensure that residents and visitors are healthier, happier, and safer. The U.S. EPA defines a sustainable development as "a development that meets the needs of the present without compromising the ability of future generations to meet their own needs." As stewards of the environment, ROEM takes this concept of sustainability to heart when developing a project. Our ultimate goal is to be innovative and competitive while improving the quality of life of those residing and visiting our communities. As such, for all of our future affordable communities, ROEM intends to pursue certification under USGBC's LEED (Leadership in Energy and Environmental Design) program and/or under Build It Green GreenPoint Rated program.

ROEM Development Corporation is a registered member of USGBC and Build It Green. Our staff are Certified Green Building Professional, GreenPoint Raters, and LEED AP.



## ROEM Development Team

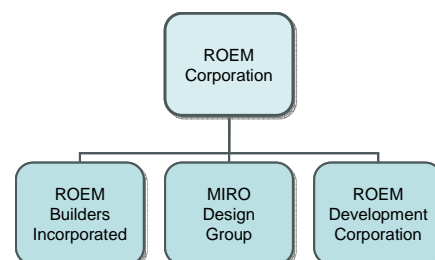
ROEM's in-house personnel have extensive understanding of the myriad of issues involved in delivering affordable housing projects. Each of our team members is able to bring diverse professional backgrounds and experience. ROEM is led by Robert Emami who has experience in all aspects of development including project coordination, financing, design oversight, marketing, and lease-up. Supported by a capable and experienced staff, Jonathan will be the key principal overseeing the downtown development project. Jonathan Emami, Vice-President, will represent and make legally binding commitments on behalf of ROEM.

Robert Emami, President/CEO  
Jonathan Emami, Vice-President  
Marcus Griffin, Director of Finance  
Tatiana Blank, Controller  
Jim Rendler, Director of Land Acquisition  
Tung "T" Tran, Development Associate  
Peter Vogel, Development Associate  
Erin Locke, Asset/Marketing Manager

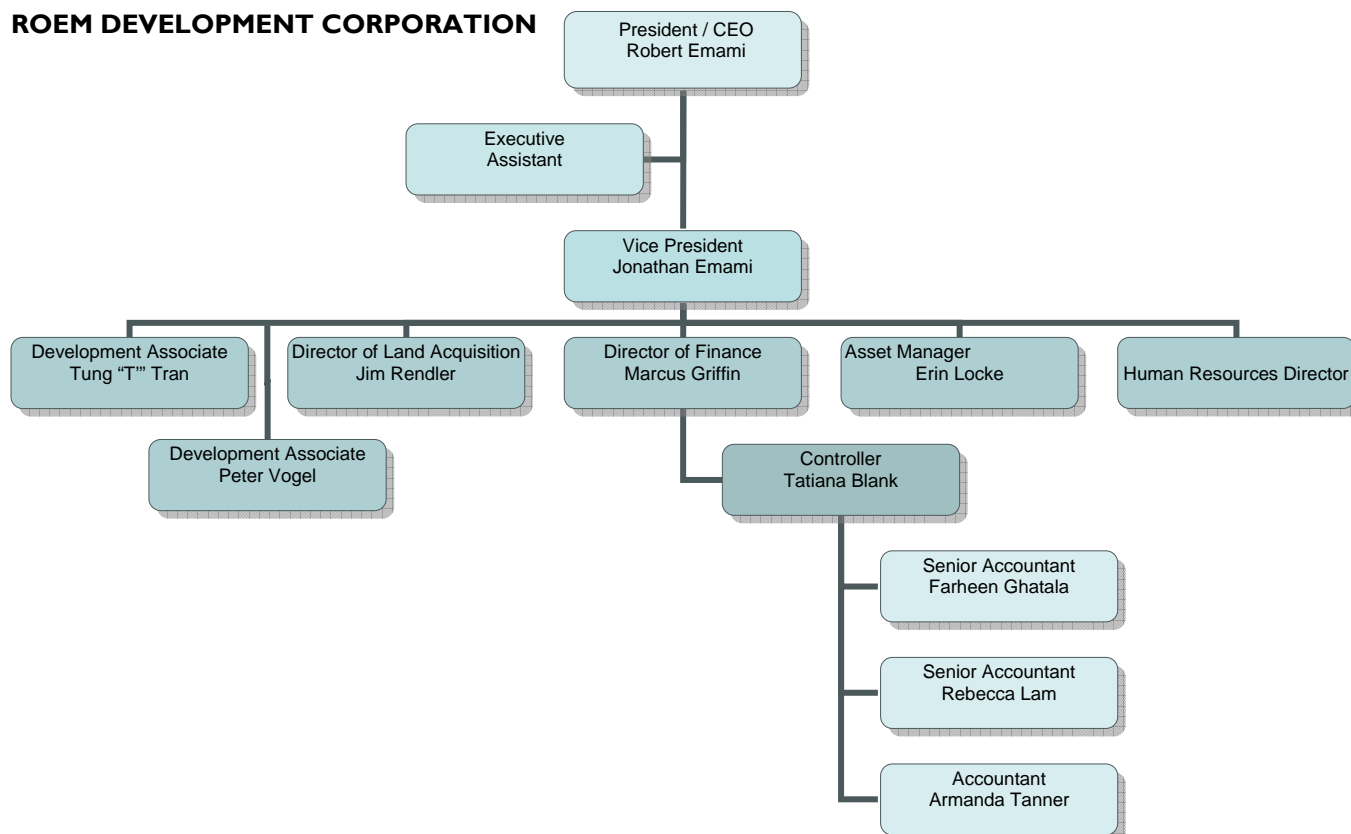
## ROEM Corporation Organizational Structure

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### Robert Emami

#### ROEM Development Corporation

Firm Responsibility: President/CEO

Project Responsibility: Business and Development Oversight

Years in Practice: 32

#### Education

Bachelor of Science in Business Administration, San Jose State University

#### Licenses

Contractors License – California

Real Estate Brokers License – California

#### Professional Affiliations

National Association of Housing and Redevelopment Officials (NAHRO)

Non-profit Housing Association of Northern California

National Association of Home Builders

#### Professional Expertise

In 1977 Mr. Emami started his own Real Estate Brokerage Firm, Antique Realty Inc. International. During this time, Mr. Emami supervised and managed 30 Real Estate Agents and Brokers. In 1982, with his experience in land acquisition, Mr. Emami obtained his General Contractor License and started Telesis Construction Company. His activities included all phases of project development from Feasibility Analysis, Estimating, Land Acquisition, Project Design, Financing, Construction, Project Management and Property Sales. ROEM Development Corporation was founded in 1988 as a culmination of past efforts and areas of expertise. Since 1988, with Mr. Emami's commitment to integrity, quality and excellence, ROEM Development Corporation has become one of the leading housing developers in the Santa Clara County and has won numerous awards including the prestigious 2004 Silicon Valley Business Journal's Developer of the Year award.

#### Significant Projects

Cedar Gateway, San Diego, CA, Mixed-use, Affordable Family Housing, Retail  
 Fairgrounds Senior Apartments, San Jose, CA, Affordable Senior Housing  
 Transit Village, Fresno, CA, TOD, Transit Hub, Affordable Senior Housing, Park  
 Ajisai Gardens, San Jose, CA, Mixed-use Multi-Family Housing  
 Montecito Vista Urban Village, San Jose, CA, Master Planned Community  
 Corde Terra Family Apartments, San Jose, CA, Multi-Family Housing  
 Villas at Corde Terra, San Jose, CA, Market Rate For-Sale Housing  
 Bella Castello, San Jose, CA, Mixed-use Multi-Family Housing over Retail  
 The Oaks of Almaden, San Jose, CA, Senior Independent Housing  
 Summer Breeze, San Jose, CA, Multi-Family Housing  
 Rosewood, San Jose, CA, Single Family Homes  
 Monte Vista Gardens, San Jose, CA, TOD Mixed-Use High-Density Housing  
 Hacienda Villas, San Jose, CA, Senior Independent Housing  
 Gadberry Courts, San Jose, CA, Senior Independent Housing  
 Shiraz Senior Housing, San Jose, CA, Senior Independent Housing  
 Rose Gardens, San Jose, CA, Senior Independent Housing  
 Vintage Grove, Campbell, CA, Single Family Homes  
 Orchard Grove of Campbell, Campbell, CA, Single Family Homes & Live-work  
 La Belle Maison, San Jose, CA, Luxury Single Family Homes



## Special section

40 THE BUSINESS JOURNAL

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JUNE 16, 2006

### profiles in DIVERSITY

## Affordable housing is his life's passion

BY ALISON R. G. VAN DIGGELEN  
sanjose@bizjournals.com

Bringing communities together through quality affordable housing is a cornerstone philosophy of developer ROEM Corp. and its president, Robert Emami.

"As a society, we were not taking care of our senior citizens as well as we would like, nor were we taking care of our teachers, firefighters, police officers, and many other moderate income families, especially in the high-priced Silicon Valley," says Mr. Emami.

He created a new affordable housing division for ROEM in 1999. Since then, the company has been garnishing awards and setting new precedents in pioneering the design and high-quality construction for projects that benefit lower-income families.

ROEM has partnered with many government agencies to meet the demand for quality affordable housing and its packages of onsite facilities and services help stimulate a vibrant sense of community among its diverse residents.

"Affordable housing is not only his vocation but his passion; he truly cares about the homes he builds and the families who live in them," says Carl Guardino, president and CEO of the Silicon Valley Leadership Group (SVLG), a public policy trade association that represents more than 200 major companies.

A leader in both the development and philanthropic sides of the affordable housing sector, Mr. Emami is gaining a reputation for spontaneous generosity.

"Last year, at our annual SVLG lunch, we talked about the important work the Housing Trust (of Santa Clara County) was doing. Later he called me over and made an impromptu \$50,000 donation," says Mr. Guardino.

The Housing Trust has received substantial donations and pledges from ROEM over the years, and Maury Kendall, communications manager of the trust, reports that since it was founded in 2001 the trust has distributed \$1 billion worth of affordable housing funds, providing over 3,500 new housing units throughout the county.

"ROEM builds attractive housing that's also affordable," Mr. Kendall says. "Promoting affordable housing in our diverse marketplace clearly serves a diverse population and is a community service."

This reputation for building something beyond utilitarian housing units is growing. ROEM's community-oriented designs are market rate quality and often feature commercial, educational and recreational areas that combine the styles and looks of luxury developments, such as Spanish garden-style apartments and Japanese gardens. Public plazas,



DEAN G. HENRIGG

**BUILDING AFFORDABLE:** Robert Emami, CEO of ROEM Corp., has pioneered development projects that benefit lower-income families.

formal garden courts and health clubs are often integrated in the overall master plan.

Some developments even have built-in free libraries (with books in five languages) and ROEM supports community building with a generous annual resident services budget which covers free after-school homework centers, health, safety and adult education seminars. Offerings also include Tae Kwon Do classes for children; Tai Chi for the seniors, classes in international arts and crafts, and popular ESL (English as a Second Language) classes.

In May, ROEM was presented with a commendation from Mayor Ron Gonzales and Councilmember Nora Campos for establishing thriving communities such as the new Monte Vista Gardens development in San Jose, a transit oriented development with 262 apartment units that was completed in 2001.

But exceptional development is not the only thing that makes ROEM stand out.

"Over time, we have continuously chosen to sponsor events that promote diverse communities," says Mr. Emami. These include the Community Resource Fair, The annual Latinas against Breast Cancer

Mother's Day Walk, NAACP, VANG (Vietnamese American National Gala), and projects like Turn Around (a scholarship program for youth who have turned their lives around).

This year, ROEM was also honored with the NAACP "Circle of Friends" Award for its ongoing work in the Restorative Justice Program which helps keep youth out of the juvenile justice system. Rick Callender, President of the San Jose/Silicon Valley branch of the National Association for the Advancement of Colored People (NAACP), praises ROEM for putting dollars in the program to help level the playing field for everyone and provide a second chance for many.

"Those who can't pay for representation are often black and brown," says Mr. Callender. "Mr. Emami's company has helped kids avoid recidivism and find their way back into society."

ROEM's cornerstone may be community building, but its underlying philosophy is solid and uncomplicated, like a well built foundation. "In our pursuit of excellence, there is simply no substitution for good, honest and hard work," says Mr. Emami.

ALISON VAN DIGGELEN is a freelance writer in San Jose.



## Developer of the Year

Silicon Valley Business Journal

### WINNER:

## ROEM Corp., Robert Emami

While much of the market worried about falling rents and gaping vacancy rates over the past few years, ROEM Corporation kept its eye on the prize: building high-end-looking single-family homes, townhouses and multifamily projects.



**FAMILY HOMES PRIZED:** Robert Emami, president of ROEM Corporation, keeps his eye on the prize, building multifamily projects.

What's unique about many of these developments is they are affordable.

That decision to follow the affordable market seems to be paying off. Since 1978, ROEM Corporation has been actively building in the Bay Area, specifically in Santa Clara County, with several new affordable projects in the works.

But affordable isn't the San Jose company's only niche. The San Jose firm, led by Robert Emami, its president, is also developing market-rate family units, townhomes, seniors developments and big-scope projects with multiple housing types.

The plan seems to be working. Since its formation 20 years ago, the company has diversified into three divisions, including ROEM Communities, which builds both affordable and high-end housing throughout Santa Clara; ROEM Builders, a licensed general contractor that constructs all of ROEM's projects; and the overarching ROEM Corporation.

ROEM views itself as a builder of whole communities, donating time and money to refurbish local school grounds and play areas. ROEM makes regular charitable donations to programs like Turn Around, a scholarship fund that provides monetary awards to students who've overcome obstacles in their lives, and the Second Harvest Food Bank, which provides food for low-income and homeless families in the area.

The company's affordable Communities Division works to build high-end affordable projects that mirror the innovative designs one would

find in a luxury development.

One such development is Ajisai Gardens, a mixed-use development in San Jose that includes 135 affordable for-sale condominiums and 11,400 square feet of office and retail space. Still in the development phase, this urban complex will include a public plaza as well as a private garden within the residential complex. The company is also taking pains to closely adhere to Japanese architectural and landscape styles, from the rooftops to the windows to the surrounding gardens.

The company has also addressed the seniors market with the new Monte Vista Gardens development in San Jose. These Spanish garden-style apartments center around a formal garden court, with amenities such as computer-learning center, health club and library. The development is close to mass transportation, and rents start around \$740.

Other seniors housing includes the Hacienda Creek senior apartments, a 92-unit Spanish-style seniors housing development designed to eliminate the institutional feeling often found in large-scale seniors housing projects by grouping the apartments into small neighborhoods of six units, giving a sense of community and personality.

One of ROEM's multi-faceted projects was the Cherryview development in Almaden Valley, a chalet-style project that comprises a commercial building, single-family homes, multi-family apartments as well as an affordable independent senior housing complex.

**Jonathan Emami**

**ROEM Development Corporation**

Firm Responsibility: Vice President

Project Responsibility: Principal In Charge of Development

Years in Practice: 10

**Education**

Master of Construction Management, University of Southern California

Bachelor of Science in Business Administration, San Jose State University

**Professional Affiliations**

California Housing Partnership Corporation, Board Member

San Jose Silicon Valley Chamber of Commerce, Board Member

The Housing Trust of Santa Clara County, Board Member

Urban Land Institute

**Professional Expertise**

Mr. Emami has worked in the construction and real estate development industry for close to 10 years. His responsibilities with the firm consist of the oversight of all project development including acquisitions, entitlements, design, securing project financing for both market rate and low income housing, construction, marketing and sales or leasing of the finish product.

**Significant Projects**

*San Antonio Family, San Jose, CA, Affordable Family Housing*  
*Park Avenue Family, San Jose, CA, Affordable Family Housing*  
*North First Street Family, San Jose, CA, Affordable Family Housing*  
*North First Street Senior, San Jose, CA, Affordable Senior Housing*  
*Orvieto Family Apartments, San Jose, CA, Affordable Family Housing*  
*Rincon Gardens Apartments, Campbell, CA, Renovation Affordable Senior Housing*  
*New Dana Strand Senior Apartments, Los Angeles, CA, Affordable Senior Housing*  
*Downtown Family Development, Mountain View, CA, Affordable Family Housing*  
*Cedar Gateway, San Diego, CA, Mixed-use, Affordable Family Housing, Retail*  
*Fairgrounds Senior Apartments, San Jose, CA, Affordable Senior Housing*  
*Montecito Vista Urban Village, San Jose, CA, Master Planned Community*  
*Transit Village TOD, Fresno, CA, Affordable Senior Housing, Transit Hub, Park*  
*Fairgrounds Senior Apartments, San Jose, CA, Affordable Senior Housing*  
*San Carlos Town Homes, San Jose, CA, Attached 3-story Town Homes*  
*Ajisai Gardens, San Jose, CA, Mixed-use Multi-Family Housing*  
*Corde Terra Family Apartments, San Jose, CA, Multi-Family Housing*  
*Villas at Corde Terra, San Jose, CA, Market Rate for Sale Housing*  
*Bella Castello, San Jose, CA, Multi-Family Housing*  
*Summer Breeze, San Jose, CA, Multi-Family Housing*  
*Rosewood, San Jose, CA, Market Rate for Sale Housing*  
*Monte Vista Gardens Family Housing, San Jose, CA, Multi-Family Housing*

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### Marcus A. Griffin, CPA

#### ROEM Development Corporation

Firm Responsibility: Director of Finance

Project Responsibility: Principal in Charge of Debt and Equity Finance

Years in Practice: 15

#### Education

Bachelor of Arts, Business Economics, UC Santa Barbara

#### Licenses

Certified Public Account – California

#### Professional Expertise

In 1993 Mr. Griffin began his career as a staff accountant at Ernst & Young. Mr. Griffin continued his accounting career working with Novogradac & Company and the Reznick Group, providing consulting, tax and audit services to real estate developers, lenders and investors involved in the affordable housing industry. In 2000, Mr. Griffin became the Chief Financial Officer for Klein Financial Corporation, a financial consulting firm specializing in multi-family developments that utilized tax exempt bond and low-income housing tax credits. While at Klein Financial, Mr. Griffin managed a diverse collection of affordable housing transactions, including mixed income and 100% affordable developments. Mr. Griffin also served on the investment committee and participated in the due diligence and asset management for investments made by KSC Affordable Housing Investment Fund, LLC, a California Public Employees' Retirement System (CalPERS) fund managed by Klein Financial Corporation.

#### Significant Projects

San Antonio Family, San Jose, CA, Affordable Family Housing  
 Park Avenue Family, San Jose, CA, Affordable Family Housing  
 North First Street Family, San Jose, CA, Affordable Family Housing  
 North First Street Senior, San Jose, CA, Affordable Senior Housing  
 Orvieto Family Apartments, San Jose, CA, Affordable Family Housing  
 Rincon Gardens Apartments, Campbell, CA, Renovation Affordable Senior Housing  
 New Dana Strand Senior Apartments, Los Angeles, CA, Affordable Senior Housing  
 Downtown Family Development, Mountain View, CA, Affordable Family Housing  
 Cedar Gateway, San Diego, CA, Mixed-use, Affordable Family Housing, Retail  
 Fairgrounds Senior Apartments, San Jose, CA, Affordable Senior Housing  
 Montecito Vista Urban Village, San Jose, CA, Master Planned Community  
 Transit Village TOD, Fresno, CA, Affordable Senior Housing, Transit Hub, Park  
 Hilltop Commons, Richmond, CA, Mixed-Income Multi-Family Housing  
 Monarch Village, Santa Cruz, Mixed-Income Multi Family Housing  
 1010 Pacific, Santa Cruz, CA, Mixed Income Multi-Family Housing  
 Heritage Estates, Livermore, CA, Congregate and Assisted Living Housing  
 River Run Apartments, Corona, CA, 100% Affordable Senior Housing  
 Cinnabar Commons, San Jose, CA, 100% Affordable Multi-Family Housing  
 Heritage Estates Senior Apartments, Livermore, CA, Mixed Income Senior Housing  
 Dublin Ranch Senior Apartments, Dublin, CA, Mixed Income Senior Housing  
 Fairway Family Apartments, Dublin, CA, Mixed Income Multi-Family Housing  
 The Sonoma, Vallejo, CA, Mixed Income Multi-Family Housing  
 Shadowood Apartments, Sacramento, CA, Mixed Income Multi-Family Housing  
 Paradise Lakes, Phoenix, CA, Mixed Income Multi-Family Housing



**Tatiana Blank, CPA**

**ROEM Development Corporation**

Firm Responsibility: Controller

Project Responsibility: Project accounting

Years in Practice: 12

**Education**

Bachelor of Science, Business Administration, emphasis in Accounting, San Francisco State University, graduated summa cum laude

**Licenses**

Certified Public Accountant – California

**Professional Expertise**

Ms. Blank began her career as a staff accountant at Novogradac & Company in 1996 and was subsequently promoted to senior accountant and tax manager. Ms. Blank's responsibilities at Novogradac included financial forecasting, audits and preparation of tax returns of real estate partnerships and non-profit organizations, preparation of applications for low-income house tax credits, structuring real estate transactions and other low-income housing tax credit consulting. In 2000, Ms. Blank joined Conversion Management Associates, Inc. as a Project Controller. CMA is a real estate development management and consulting firm located in San Francisco, CA. As a Project Controller, Ms. Blank performed project accounting and reporting functions for several commercial real estate development and construction projects, including budgeting, contract management and administration, investor and lender reporting and cash management.

**Significant Projects**

*Cedar Gateway, San Diego, CA, Mixed-use, Affordable Family Housing, Retail  
Fairgrounds Senior Apartments, San Jose, CA, Affordable Senior Housing  
Plaza Club Apartments, Salinas, CA Mixed-Income Multi-Family Housing  
Almaden Apartments, San Jose, CA Mixed-Income Multi-Family Housing  
Big Rock Ranch, San Rafael, CA, Corporate Headquarters  
Stern Grove Concert Facility, San Francisco, CA, Public Performance Facility  
Cathedral of Christ the Light, Oakland, CA, Cathedral, Office Building, Retail*

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### Jim Rendler

#### **ROEM Development Corporation**

Firm Responsibility: Director of Land Acquisition

Project Responsibility: Site Acquisition, Forward Planning, Project Management

Years in Practice: 7

#### **Education**

B.S. Agribusiness, California State Polytechnic San Luis Obispo

#### **Registration/Certifications/Accreditations**

Licensed CA Real Estate Broker

#### **Professional Affiliations**

Urban Land Institute

#### **Professional Expertise**

Mr. Rendler began his career selling investment property while obtaining his college degree. After graduating, he worked for a local real estate broker completing single family transactions and selling raw land for residential development. Mr. Rendler was successful in transitioning to the development side of the business. In an effort to learn all aspects of the final product, Mr. Rendler started with ROEM as a project engineer working on completing all environmental remediation and offsite improvements on a 30 acre master planned site in San Jose. He was also involved in the construction management of the first 53 townhome units prior to focusing on land acquisition responsibilities full time. At ROEM, Mr. Rendler's responsibilities include identifying, analyzing and pursuing prospective development opportunities. He assists with financial analysis and is actively involved in project planning and managing projects through the entitlement and building permit process. He has been successful in applying his construction experience to identify, quantify and create solutions to challenges associated with new development opportunities.

#### **Significant Projects**

*New Dana Strand Senior Apartments, Los Angeles, CA, Affordable Senior Housing*

*Park Ave Apartments, San Jose, CA, Affordable Family Housing*

*Alma Apartments, San Jose, CA, Affordable SRO Housing*

*Brookwood Terrace Apartments, San Jose, CA, Affordable Family Housing*

*Fairgrounds Family Apartments, San Jose, CA, Affordable Senior Housing*

*Ajisai Gardens, San Jose, CA, Mixed-use Multi-Family Housing*

*Montecito Vista Urban Village, San Jose, CA, Master Planned Community, Park*

*Siena Townhomes, San Jose, CA, Market Rate Townhomes*

*North First Street Family, San Jose, CA, Affordable Family Housing*

*North First Street Senior, San Jose, CA, Affordable Senior Housing*

*Orvieto Family Apartments, San Jose, CA, Affordable Family Housing*

## Tung 'T' Tran

### ROEM Development Corporation

Firm Responsibility: Development Associate

Project Responsibility: Sustainable Planning & Design, Entitlement, Project Feasibility

Years in Practice: 15

### Education

Master of Real Estate Development, University of Southern California

Master of Urban Planning, San Jose State University

Bachelor of Science in Landscape Architecture, University of California, Davis

### Registration/Certifications/Accreditations

Registered Landscape Architect #4278 in California

USGBC—LEED Accredited Professional

Certified Green Building Professional, Build It Green

GreenPoint Rater (Pending), Build It Green

### Professional Affiliations

Urban Land Institute

American Society of Landscape Architect

### Professional Expertise

Mr. Tran began his career as a landscape architect working over four years for various private firms and starting his own custom residential design company for three years. In 2000, he joined the San Jose Redevelopment Agency. His duties include strategic planning, urban design analysis, and plan review of both public and private development projects. Mr. Tran was promoted in 2003 with the responsibilities of managing the implementation of 20 capital improvement projects and programs in neighborhoods including community centers, parks, streetscapes, and traffic calming measures with a total 5-year programmed budget exceeding \$6 million. In this capacity, Mr. Tran facilitated and coordinated development issues among staff, general counsels, council offices, developers, community members, and design consultants. Mr. Tran also served as the Agency liaison to local business association to promote its neighborhood business district and assisted business owners through the development and entitlement process. At ROEM, Mr. Tran works closely with the Acquisition team to identify, analyze, and pursue prospective development opportunities. He assists on financial analysis and develops project pro-formas. He also conducts market analysis, project planning, urban design studies, and manage projects through the permitting process. Currently, he is spearheading sustainability standards for ROEM future projects.

### Significant Projects

*New Dana Strand Senior Apartments, Los Angeles, CA, Affordable Senior Housing*

*Cedar Gateway, San Diego, CA, Mixed-use, Affordable Family Housing, Retail*

*Downtown Family Development, Mountain View, CA, Affordable Family Housing*

*Transit Village, Fresno, CA, TOD, Transit Hub, Affordable Senior Housing, Park*

*Fairgrounds Senior Apartments, San Jose, CA, Affordable Senior Housing*

*San Carlos Town Homes, San Jose, CA, Attached 3-story Town Homes*

*Ajisai Gardens, San Jose, CA, Mixed-use Multi-Family Housing*

*Montecito Vista Urban Village, San Jose, CA, Master Planned Community, Park*

*VT A LRT Downtown Transit Stations, San Jose, CA, Stations Retrofit Study*

*North San Pedro Development Area, San Jose, CA, Urban Design & Planning*

*Tully-Senter Community Center, San Jose, CA, Urban Design & Programming*

*Edenvale Shopping Center, San Jose, CA, Parking Lot Conceptual Design*

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### Peter A. Vogel

#### ROEM Development Corporation

Firm Responsibility: Development Associate

Project Responsibility: Financial Feasibility, Planning, Entitlement, Res. Service Prog.

Years in Practice: 8

#### Education

Master of Real Estate Development, University of Southern California

Bachelor of Science in International Business, University of San Francisco

#### Accreditation

US Green Building Council – LEED Accredited Professional

#### Professional Affiliations

Urban Land Institute

#### Professional Expertise

Mr. Vogel began his career in property management, co-managing a portfolio of 2500 rental apartment units. He then transitioned into development, working for a land development and homebuilding company, initially as an analyst and sales manager, then as an assistant Project Manager, and subsequently as the organization's Director of Sales and Marketing. At ROEM, Mr. Vogel works closely with the Acquisition & Development teams to identify, analyze, and pursue prospective development opportunities. He conducts extensive financial analysis and develops project pro-formas. He is also charged with identifying, evaluating, and securing various local, State, and Federal funding sources. Mr. Vogel works in collaboration with the Director of Finance as well as lenders and investors to ensure the economic feasibility of ROEM's affordable housing projects.

#### Significant Projects

*Ajisai Gardens, San Jose, CA, Mixed-use Multi-Family Housing*

*1<sup>st</sup> & Rosemary Apartments, San Jose, CA, Affordable Multifamily Housing*

*Orvieto Family Apartments, San Jose, CA, Affordable Multifamily Housing*

*Cedar Gateway Apartments, San Diego, CA, Affordable Multifamily & Special Needs*

*San Antonio Street Family Apartments, San Jose, CA, Affordable Multifamily Housing*

*Churchill Meadows, Mississauga, Ontario, Market-Rate Semi-Detached Homes*

*Enclaves of Treewood, Toronto, Ontario, Market-Rate Townhouses*

*Olde Thornhill Village, Toronto, Ontario, Market-Rate Stacked Townhouses*

*Tideswell on the Rouge, Toronto, Ontario, Market-Rate Townhouses*

**Erin Locke**

**ROEM Development Corporation**

Firm Responsibility: Marketing & Asset Manager

Project Responsibility: Project Marketing and Leasing Oversight

Years in Practice: 7

**Education**

B.S. in Philosophy, Business Administration minor, University of Oregon

**Professional Affiliations**

Silicon Valley Crime Stoppers, Treasurer, Executive Board of Directors

Santa Clara County Sheriff's Advisory Board, Board of Directors

Silicon Valley Business Journal Structures Advisory Committee

San Jose Martin Luther King Jr. Library, Board of Directors Past Vice President

**Professional Expertise**

Ms. Locke is responsible for ROEM's portfolio of multi-family rental complexes totaling over \$300 million. She oversees the property management company, hires property employees, develops annual operating budgets, assists with loan conversions, and reviews monthly financials. She also directs resident service coordinators to implement free classes at all communities including ESL classes, computer labs, continuing education courses, after school programs, health and investment advice, and arranges for resources including computer labs, libraries, and various guest lectures. Ms. Locke is also responsible for the production of all company and project marketing materials. She designs and implements property-specific marketing plans and lease up strategies for all developments including for sale and for rent including overseeing sales team for market rate single family homes, townhomes, & condos. Additionally, she maintains media relations and public image.

**Significant Projects**

*Fairgrounds Senior Apartments, San Jose, CA, Affordable Senior Housing*

*Montecito Vista Urban Village, San Jose, CA, Master Planned Community*

*Corde Terra Family Apartments, San Jose, CA, Multi-Family Housing*

*Villas at Corde Terra, San Jose, CA, Market Rate For-Sale Housing*

*Bella Castello, San Jose, CA, Mixed-use Multi-Family Housing over Retail*

*The Oaks of Almaden, San Jose, CA, Senior Independent Housing*

*Summer Breeze, San Jose, CA, Multi-Family Housing*

*Rosewood, San Jose, CA, For-Sale Single Family Homes*

*Monte Vista Gardens, San Jose, CA, TOD Mixed-Use High-Density Housing*

*Hacienda Villas, San Jose, CA, Senior Independent Housing*

*Gadberry Courts, San Jose, CA, Senior Independent Housing*

*Shiraz Senior Housing, San Jose, CA, Senior Independent Housing*

*Rose Gardens, San Jose, CA, Senior Independent Housing*

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## MANAGING GENERAL PARTNER



### **Pacific Housing Inc.**

2481 Sunrise Blvd, Suite 100  
Gold River, CA 95670  
Phone: 916.638.5200  
Fax: 916.920.8906

**Pacific Housing, Inc.**, a California Non-Profit, Public Benefit Corporation, (501 C (3), EIN #68-0412326) has been organized for the beneficial interest of the public sector that cannot afford conventional housing. The Pacific Housing, Inc. mission is simple; “advocate and promote the development of quality affordable housing, affordable housing programs and affordable tenant services programs”.

The organizational structure of Pacific Housing, Inc. enables the company to diversify into several disciplines of affordable housing. Pacific Housing, Inc. is dedicated to becoming a leader in the affordable housing industry. Active involvement in the following developments and housing programs is well underway through-out California:

- Assist in the coordination of inclusion planning for affordable housing in new community entitlements.
- Development of new, quality affordable rental housing for families and seniors.
- Development of efficiency units and transitional housing for very low income individuals.
- Development of housing projects for individuals with special needs.
- Development of affordable housing and senior assisted living facilities for veterans and military retirees through close relations with the Veteran’s Administration and other veterans’ groups.
- Development of “For Sale” affordable housing and home ownership educational programs.
- The promotion of Faith-based developments.

Pacific Housing, Inc. maintains its mission and objective by teaming and partnering with extremely qualified developers, contractors, consultants, and property management companies to ensure that its developments and operating objectives are met with the highest degree of integrity and quality.

Pacific Housing, Inc. finances its development objectives with a variety of affordable housing finance programs. Pacific Housing, Inc. utilizes bond financing through applications submitted to the California Debt Limit Allocation Committee. Affordable housing tax credits applied through the Califor-

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Greenfair Senior  
Preservation Greenfair, LP  
Pacific Housing, Inc./General Managing Partner  
386 Units Senior Affordable  
Sacramento, CA



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nia Tax Credit Allocation Committee generate and secure equity capital. Applications and dialogue made to and on behalf of local Housing and Redevelopment Agencies secure Multifamily Mortgage Revenue Bonds, HOME funds, and other available housing finance programs.

**Pacific Housing, Inc.** promotes and oversees several tenant services programs that help ensure that developments maintain a level of quality, safe affordable housing:

**After School Programs:** Pacific Housing, Inc. establishes and maintains after-



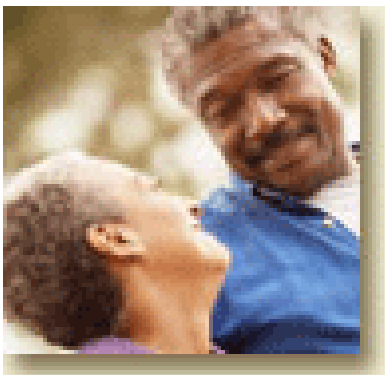
school and youth programs for the residents of Pacific Housing, Inc. communities. Programs include homework assistance, leadership, and life skills.

**Computer Training:** Pacific Housing, Inc. provides computer education and training classes to the residents of its affordable housing developments through either Pacific Housing, Inc. staff or other computer learning agencies.

**On-site Childcare Programs:** Pacific Housing provides childcare services at several its' sites. Childcare is free, services are provided by Head start or other community childcare agencies.

**Youth Programs:** This is very broad in nature. Pacific Housing, Inc. works with community resources, volunteers, and social agencies to provide art education, sports programs, Kids Klub program, life skills, and other activities.

**Adult & Senior Education:** Utilizing community-based organizations in educating adults, Pacific Housing, Inc. coordinates and promotes educational programs such as English as a Second Language, Citizenship, Health & Wellness, Personal Finance, and Family Nutrition.



**Social Activities:** Pacific Housing, Inc. coordinates a wide variety of social activities, such as Bingo Nights, Garden Plots, dances for seniors, field trips, cards, and other activities that promote positive social interaction.

**Senior Nutrition Programs:** Contracted through the county agencies, Pacific Housing, Inc. provides the opportunity for residents to receive nutritional meals.

**Transportation:** Coordinates, schedules, and provides offsite transportation for resident shopping, medical, and social activities via our Pacific Housing



shuttle van.

**Nutrition and Cooking:** Classes are offered at many sites for residents to improve eating habits and cooking skills through nutritional education.

**Exercise Classes:** Classes are offered at senior and family sites to stimulate the physical well-being of seniors through low-impact exercise classes. Yoga and walking classes are provided and encouraged at the sites to improve independence and provide a healthy choice to many sedentary lifestyles.

**Drug Free Awareness and Education:** Pacific Housing, Inc. teams with law enforcement and social service agencies to establish drug awareness and education programs that promote a drug-free lifestyle. Classes and seminars are coordinated by Pacific Housing, Inc. to educate residents about the problems associated with illegal drugs and usage.

**Budgeting:** Classes are offered to inform residents about household record keeping and basic household economics through financial management classes, such as IDA.

**Employment/job training:** Classes are provided to educate residents in best methods as they prepare to enter the job market or move up in job fields. Courses include resume making, interview workshops, and internet job search.

**Bryan D. Alexander**  
Executive Director

Bryan D. Alexander has been in the real estate field for over 14 years, benefiting Pacific Housing, Inc. with his experiences as a property manager, resident manager, residential real estate agent, commercial real estate agent, and licensed general contractor (class B). As a commercial real estate agent for Brittain Commercial real estate, Bryan represented investors of smaller multi-family projects in over \$3.5 million in transactions.

Bryan Alexander also has a background in community and support services. Prior to joining Pacific Housing, Inc., he worked for the Boy Scouts of America, Golden Empire Council as a Project Coordinator and District Executive, overseeing the implementation and integration of the Scouting program for over 2,500 urban youth. His ability to effectively incorporate inner-city community-based organizations, churches, and schools into the program's development was recognized on the National level.

Bryan joined Pacific Housing, Inc. in October, 2001 as the tenant services coordinator/project manager and has been instrumental in organizing, overseeing, and administering tenant service programs for the benefit of the residents of Pacific Housing, Inc. properties. Bryan was promoted to Chief Operations Officer and performed in that capacity from 2004 to 2007, handling

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all aspects of the day-to-day operations, staff supervision, and resident service coordination for over 57 apartment projects throughout California. Bryan was recently promoted to Executive Director of Pacific Housing, Inc.

Bryan is certified in Low-Income Housing Tax Credits, received an Associate degree in Business Administration from Sacramento City College, and is a Business student at the University of Phoenix. Bryan and Angelica have been married 16 years and have two children.

### **Mark A. Wiese, President**

Board Director - Chairman

Mark A. Wiese has been involved in real estate development, financing and management for almost 25 years. In addition to Pacific Housing, Inc. Mark is involved in other Sacramento based real estate development partnerships charged with developing in excess of \$100 million dollars worth of real estate projects. Mark's experience includes past employment as Vice President and Regional Operations Manager for Grove Realty Services, Inc., a real estate development and management company based in Costa Mesa, California. At his Sacramento based position, Mark oversaw property management and operations for Continental Plaza, a 290, 000 sq.ft. commercial office development leased entirely to the State of California Department of Health Services. Mr. Wiese also oversaw the development of Grove Realty's Discovery Centre. The 150,000 Sq.Ft. first phase is under construction. Both Continental Plaza and Discovery Centre are located in the Richards Blvd. Redevelopment area of Sacramento. Mark is also a general partner of Municipal Service Partners, A California General Partnership that is the co-venture developer of the Sacramento Social Service Complex. This 48,000 sq.ft. project is being developed for the County of Sacramento on land leased from the Sacramento Housing and Redevelopment Agency. The project incorporates 200 beds of homeless shelter with administration and program management and the project was financed through a tax exempt municipal lease financing program.

Prior to joining Grove Realty Services, Inc. Mark was Vice President, Development for Professional Apartment Management, Inc., a Lodi based a multi-family and senior housing management company with a management portfolio over 5,000 units. During his tenure with Professional Apartment Management, Inc. Mark was development manager for projects though-out California. For the ten years prior to Professional Apartment Management, Inc. Mark was a principal in a Sacramento development company and was jointly responsible for the development, management and sales of over 165,000 sq.ft. of commercial buildings, 250 single family lots and 150 residential units. Mark has arranged and negotiated over \$55,000,000 in commercial real estate financing transactions. He has considerable experience in Redevelopment Agency Participation, Municipal Finance Placement, Tax Credit Financing, and HOME and HUD Financing Programs. Mr. Wiese has a Bachelors degree in Real Estate from San Diego State University. Mark is married and

## CONSULTANT TEAM MEMBERS

The professionals of this team have an unparalleled understanding of the many issues which will need to be addressed on affordable housing development project.

We have assembled an initial experienced and capable team with collective experience in completing numerous and similar projects that makes us uniquely qualified to meet the needs of this proposal.

We will bring our knowledge, local relationships, technical excellence, and professionals who are the best in the industry.

ROEM has in-house staff with expertise in financial analysis and industry relations with major financial institutions servicing the affordable housing arena such as Citigroup, Alliance Capital, etc.

The following are our team members:

<b>Architecture</b> <b>KTGY Group, Inc.</b>	Keith Labus, Principal Ben Seager, Project Designer
<b>General Contractor</b> <b>ROEM Builders, Inc.</b>	Robert Emami, President Jeffrey Schnurr, Director of Construction Steve Massie, Operation Manager
<b>Property Management</b> <b>FPI Management, Inc.</b>	Dennis Treadaway, Business Development Maureen Picarella – Sr. VP of Affordable Communities Leigh Ann Caraballo—Regional Property Manager
<b>Legal Representative</b> <b>Cox Castle &amp; Nicholson LLP</b>	Stephen C. Ryan, Partner R. Clark Morrison, Partner Lisa D. Weil, Associate

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## Firm Description



**KTGY Group, Inc.** was founded in 1991 by professionals who shared a common belief in creating a design firm that would perpetuate its success by investing in superior, productive people with positive attitudes and encouraging a team philosophy. This philosophy fosters an environment of support, training, listening and artistry, which has attracted the best and brightest young people, as well as some of the industry's top seasoned professionals. KTGY is headquartered in Irvine, California, with offices in Santa Monica, Oakland and Denver.

Providing planning and architectural design services for residential communities, retail developments, hospitality and related specialty projects worldwide, KTGY translates the client's needs and desires into an aesthetic, workable product that leads to financially successful and award-winning designs. Our goal is simple, create good designs that are well accepted in the marketplace, appropriate for the end user, and attains the client's profitability goal.

Each team is led by a Principal/Shareholder who is involved from the initial conceptual phase through the construction phase. The teams planners, designers and architects are dedicated to a seamless process. Each client is partnered with a particular team based upon product type and/or region. This allows KTGY to better serve each client's needs by providing a focused team who really knows the local market/product and is current in new technologies. We are focused on helping clients have financially successful projects. The team philosophy has created an exceptional organization built around the success of our builder/clients.

**KTGY Group, Inc.**  
**Architecture+Planning**  
 888.456.ktgy  
 ktgy.com



IRVINE    SANTA MONICA    OAKLAND    DENVER



## Sustainable Building Design



**Vantage - Palo Alto, CA**  
Warmington Homes California  
Award Winning Eco-Friendly Condominiums



**Vista Del Campo Norte - Irvine, CA**  
American Campus Communities  
UCI Student Housing that meets silver levels of LEED



**Carsten Crossings - Irvine, CA**  
The Grupe Company  
Single Family Detached that are the First U.S. Subdivision made of entirely LEED Certified Homes



**Jefferson Square - La Quinta, CA**  
Regency Centers  
Retail Center that meets LEED Qualifications

The KTGy Group values sustainable and “green” building design as our collective responsibility to the environment and future generations. KTGy is committed to design processes based on principles of smart growth and planning that incorporate natural and reusable resources and preserve open space, resulting in efficient and sustainable buildings and communities. Our common-sense design approach respects the natural environment by minimizing waste, efficiently utilizing resources, and creating built environments that promote healthy and enjoyable living.

Our approach to sustainable and integrated building design starts with identifying the overall goals for a given project and their impact on project design, schedule and budget. An evaluation of the appropriate strategies and methods follows to determine the best and most cost effective ways to accomplish these goals. A design team charrette or workshop, including the owner, architect, landscape designer, civil engineer, and builder, is organized to explore building ideas and planning concepts, sustainability goals and implementation strategy, and to assess the sustainable scope of work for all team members. Once an attainable target is established; for example, a LEED Silver certification; KTGy will lead the design team in establishing milestones and coordinating design and documentation efforts.

Documentation of design strategies and sustainable features is critical in every phase of the project from Conceptual Design to Schematic Design, Design Development and Construction Documents. During the Construction phase, KTGy will continue to monitor progress and document the incorporation of systems and materials in order to ensure that project goals are met.



## Sycamore Place

### Client

BRIDGE Housing Corporation

### Location

Danville, CA

### Use

Senior Housing Apartments

### Facts

- Density - 26.5 DU/AC
- Plans - 519 - 805 SF
- Units - 74
- Unit Mix - 92% - 1 Bed  
8% - 2 Bed
- Parking Ratio - 1 / unit

### Awards

2003 Gold Nugget Awards

- Best Senior Project - Attached (Merit Award)
- Best Seniors Project - Active Adult (Merit Award)



0192

### [ DESCRIPTION ]

Quality residence/very low income. Convenient downtown site offered city opportunity to rejuvenate eyesore parcel. Mature street trees and site trees. Desirable ambience while maximizing affordable opportunities.





## Sycamore Place

IRVINE SANTA MONICA OAKLAND DENVER

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## Royal Court Multi-Family

**Client**  
South County Housing

**Location**  
Morgan Hill, CA

**Use**  
Affordable Apartment Homes

**Facts**

- Density - 18-20 DU/AC
- Plans - 679-1,059 SF
- Units - 54 DU
- Units Summary
  - 1-Bedroom: 11%
  - 2-Bedroom: 52%
  - 3-Bedroom: 37%

**Awards**

2008 Gold Nugget Awards

- Category 14 - Best Affordable Project Under 30 du/ac (Award of Merit)
- Category 22 - Best Neighborhood Site Plan Up to 20 Acres (Award of Merit)

2007 Gold Nugget Awards

- Category 13 - Best Affordable Project Under 30 du/ac (Award of Merit)



2517 - Photography © Christopher Mayer

### [ DESCRIPTION ]

Royal Court is a development of fifty-four apartment homes designed to be affordable to families earning below the median family income. Built by non-profit builder South County Housing, these homes and the adjoining single family detached houses, also designed by KTGy, fill in a derelict, underutilized, brown field site. The homes are designed to compliment the agrarian nature of Morgan Hill, while allowing for a fairly high density. Simple massing joined with time-honored materials and an attention to the details has created homes that seem at once contemporary and traditional.





## Royal Court - Multi-Family

IRVINE SANTA MONICA OAKLAND DENVER

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60540 - Photography © Juan Tallo

## Diamond Apartment Homes

### Client

Jamboree Housing Corporation

### Location

Anaheim, CA

### Use

Special Needs/Affordable Housing

### Facts

- Density - 29 DU/AC
- Site - 0.86 AC
- Plans - 700 - 875 SF
- Units - 25 DU

### Awards

- 2009 Gold Nugget Awards
- Outstanding Affordable Project
  - Under 30 DU/AC (Merit Winner)

### [ DESCRIPTION ]

Diamond Apartment Homes provide an innovative solution to help end long-term homelessness. The site is a recycled small, odd-shaped remnant from freeway expansion. Pioneering green development provides both housing and mental health supportive services for previously homeless individuals and their families. The units are furnished and include ENERGY STAR appliances, ample storage and private outdoor space. There is 24/7 availability for support of daily living activities and link them to other supportive and independent living services.





## Diamond Apartment Homes

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## Keith Labus AIA, LEED AP

### Principal

As a Principal at KTGy Keith Labus offers his clients over a decade of award-winning planning and design experience in the areas of high density market rate and affordable residential and mixed-use projects. He is responsible for conceptual planning and schematic design of projects in both Northern and Southern California. With special attention to detail, Mr. Labus' primary role is to ensure each project has clear direction while sustaining open communication between consultants, clients and relevant jurisdictions. He is currently overseeing the design of affordable family and senior communities ranging from 15 to 65 DU/AC.

### Education

Bachelor of Architecture  
California Polytechnic State University,  
San Luis Obispo

### Registration

Licensed Architect - CA

LEED Accredited Professional

### Affiliations

American Institute of Architects, AIA

NAHB 50+ Housing Council

### Affordable Senior Housing

#### Global Premier Development

Perris Isle Senior Apartments  
Moreno Valley, CA  
3-Story Affordable Senior  
Apartments – 189 Units

Dorado Senior Apartments  
Buena Park, CA  
4-Story Affordable Senior  
Apartments over 1 Level of  
Parking – 150 Units

Desert Senior Living  
Palmdale, CA  
3-Story Affordable Senior  
Apartments – 62 Units

Red Star  
Oakland, CA  
4-Story Mixed-Use Affordable  
Senior Apartments

Olympic Village  
Clearlake, CA  
2-Story Affordable Senior  
Apartments – 54 Units

#### Meta Housing Corporation

The Grove  
Garden Grove, CA  
4-Story Affordable Senior  
Apartments – 89 Units

Carona Senior Arts Colony  
Corona, CA  
3-Story Affordable Senior  
Apartments – 158 Units

The Magnolia @ Highland  
San Bernardino, CA  
3-Story Affordable Senior  
Apartments – 80 Units

#### The Related Companies

The Fountains at Sierra  
Fontana, CA  
3-Story Affordable Senior  
Apartments – 90 Units

The Gardens at Sierra  
Fontana, CA  
3-story Affordable Senior  
Apartments – 90 Units

#### ROEM

Dana Strand  
Wilmington, CA  
3-Story Affordable Senior  
Apartments – 100 Units

#### Urban Housing Communities

Horizons @ Morgan Hill  
Morgan Hill, CA  
3-Story Affordable Senior  
Apartments – 49 Units

Horizons @ Market Street  
San Diego, CA  
4-Story Mixed-Use Affordable  
Senior  
Apartments – 49 Units

Horizons at Indio  
Indio, CA  
Affordable Apartments

### Affordable Multi-Family Housing

#### Global Premier Development

Elwood Family Apartments  
Glendora, CA  
3-Story Affordable Apartments  
over 1 Level of Parking – 87 Units

Aspen Family Apartments  
Milpitas, CA  
4-Story Affordable Apartments  
over 2 Levels of Subterranean  
Parking  
– 101 Units

Broadway Village  
Anaheim, CA  
3-Story Affordable Apartments  
over Subterranean Parking  
– 46 Units

KTGY Group, Inc.  
Architecture+Planning

888.456.ktgy  
ktgy.com





GENERAL CONTRACTOR  
*ROEM Builders, Incorporated*  
1650 Lafayette Street  
Santa Clara, CA 95050  
Phone 408-984-5600  
Fax 408-984-3111  
www.roemcorp.com



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ROEM Builders, Incorporated, is a California Licensed General Contractor building multi-family, single family, and mixed-use projects. ROEM Builders regularly provides preconstruction and general contracting services. ROEM Builders has extensive local experience and knowledge in the following areas:

- Design and Constructability Review
- Value Engineering
- Construction Cost Estimating
- Professional Construction Management
- General Contracting

### **Construction**

ROEM Builders Inc. acts as the general contractor and construction management firm for all of ROEM Development Corporation projects and will hire subcontractors to perform and complete construction based on negotiated fixed price contracts. ROEM Builders efforts are purely for the construction management of the project and we do not self perform any work. The process for ROEM Builders begins by providing preconstruction services which consist of reviewing plans, value engineering, attending planning and design meetings, and preparing a preliminary project budget. Upon further completion of planning and design requirements, we will send out plans for competitive bid to at least (3) subcontractors per trade. These subcontractors are selected by project capability, pricing, current workload, past experience, bonding limitations, insurance requirements, and overall quality of their work. Once a subcontractor is selected, we will send a letter of intent to that subcontractor to formally accept their bid for the specified scope of work.

Our scope of work will include a project description and site background, ROEM Builders safety regulations and standard requirements, the quality of the work we expect, the material and product specifications, a detailed de-

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scription of the work to be performed as well as the specific installation locations and requirements. This scope package will also include a schedule, material delivery requirements, site staging areas, and other relevant details. Once the contract is executed, preconstruction meetings will be held with other key subcontractors to ensure all parties are formally introduced and understand the process of the work. The project supervision and coordination of the work performed is completed by Project Managers, Superintendents or Construction Managers, Assistant Superintendents or Project Engineers, and Project Coordinators who will collectively enforce proper completion of work subject to industry standards, the project specifications, rules and regulations pertaining to zoning and building codes, and project costs.

ROEM has long standing relationships with most companies with whom we subcontract. As a result, they are able to provide us with prices that meet our budget requirements or better. The relationships we have developed with our subcontractors give us advantages in not only prices, but product procurement, performance, quality, and the ability to meet our project schedules and deliveries.

### ***Value Engineering and Cost Control Methods***

ROEM Builders Inc. and ROEM Development utilize standardized procedures, which involve the interface of our construction project managers with the project architect and his consultants at the very inception of the design process. We obtain competitive bids for all subcontracted work and exert maximum effort in negotiating all subcontract agreements. We ask each of our subcontractors to look at value engineering options and provide those with the bids per plans and per the value engineering option. We then review these options with our in house Architects and make a decision based upon the following factors:

- How much is the cost savings?
- Does it reduce quality?
- Does the option create any safety or building cost issues?

ROEM Builder's also has maintained the highest level of expertise in the construction phase of projects. ROEM Builder's has implemented quality

control and safety features that allow the construction of the project to go smooth and without major problems.

Cost controlling is accomplished by several methods. By watching the building materials market closely, ROEM can take advantage of cost savings by buying early or late, buying in bulk and storing for later use, substituting material and lastly negotiating profit margins with its suppliers. Though there are circumstances that cannot control unforeseen outside factors, ROEM will strive to mitigate those factors. Specific examples include watching weather reports to anticipate how construction schedules can be impacted and adjusting crucial milestones.

**Robert Emami** Mr. Emami is the founder and President of ROEM Builders which as incorporated in 1999. He oversee broad aspects of general contracting and construction management for each projects and work closely with construction managers and construction supervisor to ensure projects are on time and on schedule. Mr. Emami is a California Licensed General Contractor. He holds a Bachelor of Science in Business Administration from San Jose State University, California.

**Jonathan Emami** Mr. Emami has worked in the construction and real estate development industry for almost 10 years. His responsibilities with the firm consist of the oversight of all project development including acquisitions, entitlements, design, securing project financing for both market rate and low income housing, construction, marketing and sales or leasing of the finish product.

**Jeff Schnurr** Mr. Schnurr is Director of Construction. For most of the past 20 years in the Bay Area, he has worked in a senior management capacity at large publicly traded home building companies such as Centex Homes and Toll Brothers, Inc. where he served as the Senior Vice President for the Northern California Division. Also, during his time in the Bay Area, he has provided consulting services as owner of Sunol Consulting Group and President of J.C. Schnurr, Inc. Mr. Schnurr's 25 year career in the residential development and building industry includes procurement of architectural/engineering services, budgeting/bidding (site and home construction), managing performance of sales, office and field construction personnel, residential renovation, site and new home construction (attached and detached), and managing warranty operations usually at an annual average pace of 200 to 600 units per year. Mr. Schnurr is a LEED AP, a Certified Green Building Professional, and a GreenPoint Rater (pending).

**Steve Massei** Mr. Massei is a Operation Manager. He has over 15 years of construction and development experience. He is responsible for planning, directing, coordinating project construction for all different types including multi-family Type V one-hour, single family homes, and town homes.

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**PROPERTY MANAGEMENT**  
***FPI Management Incorporated***  
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 Phone 916-357-5300  
 Fax 916-357-5310  
 www.fpimgt.com



As an Accredited Management Organization (AMO) designated by the Institute of Real Estate Management, FPI Management, Inc. has been providing professional management services for multi-family housing owners for over 35 years. Currently, FPI Management has in its inventory approximately 45,000 units located in California, Nevada, Alaska, Ohio, Virginia and Pennsylvania. This portfolio is supervised by two Senior Vice Presidents, three Vice Presidents, four Directors and thirty-five Executive Portfolio and Portfolio Managers. FPI Management employs over 1,200 field staff. Since its inception, FPI Management has developed expertise in a widely diversified inventory of properties. FPI Management's current portfolio includes luxury and conventional apartment communities, as well as properties developed under all low and moderate-income programs i.e., LIHTC, HUD insured, USDA, Bond Financed, and Section 8.

FPI Management's experience in property management has developed a firm whose capabilities will meet the demands of the most sophisticated investor. Our clients include pension funds, financial institutions, regulatory agencies, insurance companies, national syndicators, developers and private investors.

FPI Management is effective in all phases of property management from the marketing and lease-up of a newly constructed project to the on-going operation of a property at sustained occupancy. FPI Management has established itself as a leader in the industry in the performance of marketing techniques, capital and preventative maintenance programs and administrative control. FPI Management consistently performs at the highest possible standard in the following areas:

### **EXPENSE CONTROL**

FPI Management delivers to its clients below industry operating expenses, resulting in significant gains in net operating income. Several factors contribute to FPI Management's ability to operate expenses below industry standards.

#### **I. Buying Power**

Based on a 45,000-unit portfolio, FPI Management can negotiate contract services and purchase material at significantly discounted prices. FPI Management utilizes a preferred vendor list to access the most favorable pricing. By committing to the exclusive use of selected service providers, FPI Management obtains the greatest



possible discounts. For Rent Magazine, Home Depot, Sherwin Williams, and ICI Paints are examples of nationwide providers that give FPI Management properties their greatest available discounts. 100% of all discounts and rebates received by FPI Management pass through to the property owners.

2. **Captive Vendors**

In an effort to avoid any conflicts of interest, FPI Management does not own, operate, or have any interest in any vendors that provide services to FPI managed properties. FPI Management utilizes exclusively the FPI Management preferred vendor list to access third party service providers.

3. **Payroll Costs**

The FPI Management Human Resources Department astutely manages payroll costs and benefits. FPI Management workers compensation rates are among the lowest in the industry. Health benefits made available for the on-site staffs are designed to provide the best possible coverage with the least possible expense to the properties.

4. **Property Renovation**

FPI Management has extensive experience in the physical rehabilitation of properties. On an annual basis, FPI Management will administer and supervise in excess of \$10,000,000 of capital improvements. The volume of rehabilitation work generated by FPI Management encourages active bidding from contracted vendors.

FPI Management Preferred Vendors must comply with specific criteria including: insurance requirements, time assurance completion, owner/manager indemnification, penalty sanctions for default or defective workmanship. FPI Management re-evaluates the FPI Management Preferred Vendors list annually. This assures the lowest possible pricing as well as the greatest degree of quality.

5. **Staffing**

An established reputation and a 35-year track record create a working environment that is desirable to prospective employees. As a “destination” management company, FPI Management is able to attract the highest caliber employees at the most economical cost to the property.

6. **Attention to Detail**

Budgets for FPI Management properties are carefully prepared. Subsequent to the owner’s approval, the budget is closely monitored by the regional portfolio manager as well as the on-site community director. The property owner receives a detailed monthly financial statement, including a narrative variance report.

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## 7. Tax Appeals

FPI Management reviews all property tax roll values to determine if reductions in assessed values are warranted. In the event an appeal is warranted, FPI Management will process the appeal at no charge to the property owner. The property owner will receive 100% of any savings from a property tax reduction.

## MARKETING

FPI Management recognizes that to maximize net operating income, successful marketing is pivotal.

FPI Management has endeavored to create marketing programs that are unparalleled. The following are the key elements of these programs:

### 1. Staff

The FPI Management philosophy is to hire motivated, career-minded individuals and provide the most up-to-date training available. FPI Management urges its prospective clients to take the time to meet the dedicated team of FPI Management professionals.

### 2. Training

Marketing seminars are presented monthly and include in-depth training on all aspects of multi-family marketing. An independent third party subsequently shops all attendees. The regional portfolio manager utilizes the shopping reports, as a marketing tool.

### 3. Market Research

FPI Management researches geographic markets on a weekly basis. Areas of concentration are: rental rates, occupancy, advertising strategies, and rental incentives. This research is prepared by the on-site staff and off-site portfolio managers. Detailed reports are forwarded to the FPI Management clients as requested.

### 4. Advertising

FPI Management carefully evaluates advertising options and utilizes its buying power to acquire key placement and the best possible pricing from various media. Rental traffic is continually monitored and evaluated to implement the most economically efficient outreach.

### 5. Promotional Signage

FPI Management critically evaluates marketing signage. The main identification, directional signage, office, bootlegs, A-frames, flag poles must be well balanced and reflect a proper image for the property. FPI Management assures that signage is contemporary, color coordinated, and easily identified.

### 6. In-House Referrals

All FPI Management employees are trained to refer prospective

residents to other FPI managed sites. With over 275 apartment communities, FPI has created an extensive internal referral system. These referrals are typically processed when a specific site cannot assist a prospect due to location and/or price.

7. **Curb Appeal**

FPI Management concentrates on the appearance of each property. Meticulous grounds, sparkling common areas, and immaculate units are essential to the success of the marketing program.

**ADMINISTRATIVE**

The policies and procedures developed by FPI Management over the past 35 years have created an organization of unsurpassed technical expertise. FPI Management's clients benefit from the strength of a management organization that is efficient and responsive.

1. **Corporate Structure**

FPI Management is operated by a hands-on Owner/President who is consistently involved with the day-to-day operations of the company. Mr. Dennis Treadaway has operated FPI Management for over 35 years. Senior Vice Presidents Mike Dow and Maureen Picarella work in concert with three Directors and forty Portfolio Managers.

2. **Training**

The **FPI MANAGEMENT EDUCATIONAL OPPORTUNITIES** program is a comprehensive training system that instructs personnel on property management techniques. During the course of a year, FPI Management provides continuing education seminars on marketing, maintenance and financial management. FPI Management also trains employees on safety, risk management, OSHA, water intrusion, and hazardous materials handling.

3. **Operations Manual**

FPI Management has developed a comprehensive operations manual that provides specific instruction on all policies and procedures for FPI Management properties. This manual is a result of over 35 years of experience, trial, and observation. It has proven to be an invaluable tool in the daily operation of all properties and provides consistency for all FPI Management sites.

4. **Information Management**

FPI Management provides its clients with access to a sophisticated on-site information technology system. Utilization of on-site computer technology creates efficiency in financial reporting, legal procedures, lease renewals, and maintenance tracking. FPI Management communities operate with the Yardi software system. Upon request, FPI Management can operate alternate software systems such

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as AMSI.

FPI Management employs a full time in-house information technology staff to assist all personnel with computer augmentation. All on-site systems are fully integrated with the FPI Management corporate system. The property owner may access all site information by modem, directly from the property to the owner's business location.

### 5. **Human Resources**

FPI Management employs over 1,200 individuals. FPI Management maintains a full time Human Resources Department that assures all employment practices are in compliance with Federal and State regulation. FPI Management, as the employer for all site personnel, insulates the owner from potential liabilities arising from employment practices. Efficient management of human resources also maintains the lowest possible cost for workers compensation rates borne by the property owners.

### 6. **Affordable Housing**

FPI Management has a 35 year history in the management of affordable housing communities. Approximately 30% of the FPI Management inventory includes some form of affordable component (LIHTC, Section 8, Bond, USDA, etc.).

FPI Management currently manages over 8,000 units under Section 42 LIHTC. FPI Management has extensive expertise in the compliance, administration and operation of these LIHTC communities. The FPI Management in-house compliance staff monitors compliance, file review, state audits and provides training and support to the on-site staff. FPI Management has developed a strategic alliance with TheoPro Consulting and Karen Graham Consulting Services to provide timely and efficient review and approval of all resident applications and annual re-certifications.

## SUMMARY

FPI Management, Inc. has developed an extensive expertise in all aspects of property management. With over 35 years of experience, FPI Management has encountered virtually all marketing, physical and administrative challenges. The benefits derived by the clients of FPI Management in the successful management of their properties have positioned FPI Management as the recognized leader in the industry.

**Dennis Treadaway**, *President* Dennis is the overall director of FPI, responsible for corporate business development. Employed by FPI in 1972, upon graduation from California State University, Sacramento, Dennis has had a hand on experience in a diversified portfolio of low and moderate income properties to luxury properties in high-profile communities. The success of FPI is attributed to Dennis' extensive experience in investment analysis and asset management. **Education** California State University, Sacramento, BS Business Administration 1972. **Accreditations** California Real Estate Broker's License, Nevada Real Estate Broker's License

**Maureen Picarella**, *Senior Vice President of Affordable Communities* Maureen works closely with FPI President, Dennis Treadaway, directing and supporting activities for 53,000 units in California, Nevada, Alaska, Ohio, Virginia, Washington, Oregon and Pennsylvania. Maureen is directly responsible for operations of 13,000+ affordable units, including LIHTC, Section 8, USDA and bond financed communities. Maureen supervises FPI Compliance Department staff and 25 Portfolio Managers in supervision and operation of 120 Affordable Communities as well as providing assistance to Owners relating to finance of Affordable Communities. Maureen oversees all new lease-ups and works directly with State and City agencies in monitoring Affordable Communities. **Education** California State University, Sacramento, 1980, National University, Sacramento, 1984 **Accreditations** California Real Estate License, 1992, Certified Credit Compliance Specialist (C3P), 1998, Housing Credit Certified Professional (HCCP), 2001

**Leigh Ann Caraballo**, *Portfolio Manager* Leigh Ann is responsible for a portfolio of 11 affordable communities. In addition to staff and property management, Leigh Ann prepares and implements operating budgets, reviews and prepares required reports as directed by owner, FPI and investors, communicating all relevant information regarding performance, collections and expense control. Leigh Ann oversees all compliance, audit and inspection requirements of her portfolio. **Education** Chabot Community College, Hayward 1983, California State University, Hayward **Accreditations** Certified Apartment Manager (CAM) certification, 1995, Housing Credit Certified Professional (HCCP), 2007

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## LEGAL COUNSEL

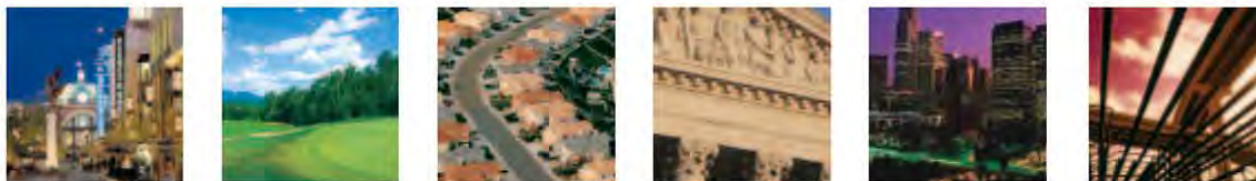
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## COX, CASTLE & NICHOLSON LLP

was founded over fifty years ago to represent and assist businesses, institutions, and individuals in all aspects of the real estate, finance, and construction industries. With more than 100 lawyers in Los Angeles, Orange County, and San Francisco, Cox, Castle & Nicholson LLP is one of the largest real estate law firms in the United States. We are experts in all areas of real estate, and our thorough understanding and expertise allow us to provide our clients with services of the highest quality. We provide the full array of legal services typically required by developers, lenders, investors, landlords, tenants and others who are involved in real estate.

### **Cox, Castle & Nicholson LLP provides a full range of legal services, including the following areas:**

- Acquisitions & Dispositions
- Affordable Housing
- Bankruptcy, Workouts & Commercial Remedies
- Commercial Leasing
- Construction
- Development Risk Management
- Environmental
- Finance
- Institutional Investments
- International & Emerging Markets
- Joint Venture
- Labor & Employment
- Land Use & Entitlements
- Litigation
- Property Management
- Residential, Resort & Hospitality Properties
- Retail Development
- Tax & Estate Planning

Cox, Castle & Nicholson LLP possesses an extensive breadth and depth of experience and capabilities in all legal aspects related to real estate. Our goal is to provide the highest quality of legal services in a practical, timely, efficient, and cost-effective manner. Our business-oriented approach identifies all relevant legal issues and weaves the client's business considerations into their resolution. We focus on both the practical as well as the legal ramifications of alternate courses of action, utilizing a creative interdisciplinary approach to problem solving.

We are committed to maintaining the necessary resources to insure that comprehensive, high-quality representation is provided to our clients at all times. Consideration is always given to allocating the appropriate level of attorney and staff support required to efficiently and economically handle each matter while providing the finest quality legal services.

We look forward to assisting you.



## AFFORDABLE HOUSING

**Cox, Castle & Nicholson LLP** is a recognized leader in the area of affordable housing. Our attorneys provide comprehensive legal services for all aspects of affordable housing development, finance, syndication, and operation. We have been the lead counsel on hundreds of affordable housing projects valued in the billions of dollars. Our extensive experience covers transactions in more than thirty states.

Our attorneys provide cross-disciplinary experience in real estate, tax, municipal finance, securities, construction, land use, and governmental law. We have provided legal representation in structuring, negotiating and documenting, among other things:

- 1) joint ventures between developers (for-profit and nonprofit) and investors (typically low income housing tax credit investors);
- 2) private activity bond transactions among issuing authorities, developers, lenders, credit enhancers and investors;
- 3) joint ventures between for-profit and nonprofit enterprises;
- 4) regulatory agreements between developers and governmental entities;
- 5) intercreditor agreements among lenders; and
- 6) disposition and development agreements between developers and governmental entities.

This depth of experience allows us to provide our clients with a full spectrum of services in a cost-effective, streamlined fashion.

- **Real Estate Development.** Our attorneys provide representation to for-profit and nonprofit developers in the acquisition, development, financing, operation, and sale of affordable housing projects. Our experience encompasses real estate issues, as well as the tax and governmental issues that impact such developments. We typically counsel developers in the acquisition of properties (new construction and rehabilitation), the structuring of partnerships with equity investors, compliance with IRC Section 42 (such as the 10% test and the 10 year hold rule), private activity bond compliance, and ongoing affordable housing compliance monitoring. Our knowledge extends to all aspects of the practice, including the practice before state housing agencies such as the California Tax Credit Allocation Committee, the California Debt Limit Allocation Committee and the California Department of Housing and Community Development, as well as federal agencies such as the IRS and HUD.

- **Affordable Housing Finance.** We represent financial institutions and private lenders in their affordable housing and community development lending. Our practice encompasses negotiating



and documenting affordable housing loans, participation of such loans, negotiating the investment terms of tax credit investors, and conducting due diligence for lenders on affordable housing and tax credit related issues. Our attorneys actively participate in the municipal finance arena, primarily in connection with private activity bonds allocated through state housing finance agencies (such as the California Debt Limitation Allocation Committee). In this regard, our attorneys have extensive experience with the underwriting criteria of credit enhancers (such as Fannie Mae and its DUS lenders) as well as the issuance criteria of the leading issuing authorities (such as the California Statewide Communities Development Authority and the Association of Bay Area Governments Finance Authority for Nonprofit Corporations).

- **Land Use Regulation.** Our land use practice boasts some of the leading attorneys in the field, particularly in California. We work with developers throughout the western United States, with a particular emphasis on Northern and Southern California. We are experienced in representing clients before city councils and boards of supervisors, planning commissions, coastal commissions, school districts, historic preservation commissions, architectural review boards, water districts, and other agencies. Our attorneys handle all aspects of the entitlement process, including sub-division, permits, plan review, and related issues with a particular sensitivity to the NIMBY factors which dominate affordable housing development at the local level.



## AFFORDABLE HOUSING

- **Tax Counseling and Litigation.** Our tax attorneys are experienced in all federal and state tax aspects of affordable housing development with a special emphasis on taxation of partnerships and partners, nonprofit organizations, low income housing tax credits, and transfer taxation of real estate. We understand the critical tax nature of the 10% test, compliance with the minimum set-aside, tax credit recapture during the compliance period, deferred developer fees, special allocations of partnership income and loss, tax-exempt status, and property tax abatement. Our tax attorneys continually work to develop creative and sound deal structures to address these issues.
- **Government.** Our attorneys routinely advise on the rules and regulations of state housing agencies (such as the California Tax Credit Allocation Committee, the California Debt Limitation Allocation Committee, the California Department of Housing and Community Development and the California Board of Equalization) as well as federal agencies such as the IRS and HUD. We have taken a leading role in organizing client responses and shaping public debate regarding proposed regulatory changes that affect affordable housing development. In addition, many administrative policies that affect the development of affordable housing projects are unwritten, and our extensive experience in numerous transactions provides clients with insights not generally available from other practitioners.
- **Tax-Exempt Organizations.** We represent many of the most active nonprofit developers. We have a substantial practice in the formation of nonprofit organizations and in qualifying their exempt status with the IRS and California FTB. We counsel our nonprofit clients on issues as diverse as complying with nonprofit set-asides, structuring to avoid private inurement, conduct of non-charitable activities, establishing for-profit subsidiaries, minimizing unrelated business taxable income, structuring and monitoring grant making procedures, and complying with California's property tax exemption requirements.
- **Environmental.** We work closely with our environmental attorneys in assisting affordable housing clients with environmental risk management strategies, transactional due diligence and negotiations, the regulatory processes attendant to site evaluation and remediation, all aspects of brownfield redevelopment, environmental litigation (including cost recovery, administrative and criminal enforcement proceedings), insurance coverage, and Proposition 65 actions. Through this interaction, we help our affordable housing clients deal effectively with a myriad of environmental issues in a satisfactory and cost-efficient manner.



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## PROFESSIONAL BIOGRAPHY FOR STEPHEN C. RYAN

Stephen C. Ryan is a partner in Cox Castle & Nicholson's San Francisco office. He is considered one of the leading experts in the area of affordable housing finance in the western U.S. His business practice focuses on all aspects of financing and development of affordable housing projects throughout the country. He has extensive experience in structuring complex financings utilizing low income housing tax credits, rehabilitation tax credits, new market tax credits, tax-exempt bonds and public subsidies. Mr. Ryan has represented numerous builders, for profit and nonprofit developers, syndicators, lenders, financiers, public agencies and consultants for more than 25 years.



He has personally handled over 1,000 tax credit transactions as primary or principal counsel. During this decade, he has worked on tax credit projects involving over \$1,000,000,000 of bond financing. During the same time, he has personally participated in over a third of all the tax-exempt bond projects financed in the State of California.

Mr. Ryan has been centrally involved in some of California's most significant Historic Tax Credit developments over the past three decades. He has advised on historic tax credit financings as diverse as the Napa Valley Opera House, Oakland's historic landmark, The Rotunda Building, and the historic renovation of the original Bank of America building at Montgomery and Clay by then owner Bank of San Francisco.

Mr. Ryan also maintains an active business practice with significant experience in structuring partnership, limited liability company, and corporate financings, tax planning, real estate development and capital formation. His practice includes representation before State Housing Agencies, the Internal Revenue Service, and the Securities and Exchange Commission. He is a Certified Taxation Specialist with the Board of Legal Specialization of the State Bar of California.

Mr. Ryan's professional expertise is augmented by his experience as an expert witness in such matters as:

- Expert witness for a J.A.M.S. arbitration in a real estate partnership dispute involving negative capital account restoration provisions and I.R.C. Code Section 704(b)
- Expert witness for national real estate syndicator in investor dispute involving material misrepresentations in Private Placement Memorandum
- Expert witness for national real estate syndicator in bankruptcy trial regarding the interpretation of Limited Partnership Agreement
- Expert witness in divorce trial regarding the ownership, vesting and valuation of stock options for a prominent hi-tech Silicon Valley company
- Expert witness for major law firm involving adequacy of securities documents for real estate syndications

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## PROFESSIONAL BIOGRAPHY FOR R. CLARK MORRISON

Mr. Morrison is a partner in the San Francisco office of Cox, Castle & Nicholson LLP and co-chair of the Land Use and Natural Resources Practice Group. He received his law degree in 1987 from Boalt Hall School of Law at the University of California, Berkeley. Prior to attending law school, Mr. Morrison attended the University of California, Berkeley, where he earned his A.B. with High Distinction.



Mr. Morrison has extensive experience in the entitlement and development of large and controversial development projects. His clients include the developers of California's largest master-planned communities, public agencies (universities, water districts, airports, cities, and counties) proposing major new facilities or infrastructure projects, domestic and international commercial and industrial concerns, energy and mining companies, Native American tribes, and wineries and other agricultural concerns. Mr. Morrison's areas of development-related expertise include general and specific plans, development agreements, infrastructure finance, school facilities agreements, environmental review under the California Environmental Quality Act (CEQA) and National Environmental Policy Act (NEPA), the Subdivision Map Act, Cortese-Knox-Hertzberg, the Williamson Act, and all other California laws affecting the development of real property.

Mr. Morrison is one of a handful of attorneys in California with significant experience in wetlands and endangered species matters. He assists clients in negotiating the approval processes of the U.S. Army Corps of Engineers, the U.S. Fish and Wildlife Service, the California Department of Fish and Game, U.S. EPA, and California's Regional Water Quality Control Boards. His experience includes permitting and litigation under Sections 401 and 404 of the Clean Water Act, Sections 7 and 10 of the Endangered Species Act, the Migratory Bird Treaty Act, the Marine Mammal Protection Act, and Sections 2081 and 1603 of the California Fish and Game Code. He has participated in the development of numerous large-scale habitat conservation plans, natural community conservation plans, and mitigation banks, and presently is handling some of the State's most complex wetlands and endangered species matters.

In addition to the foregoing, Mr. Morrison is a major resource on water rights and related issues. He regularly advises water districts, irrigation districts, cities and counties, universities, developers, industrial concerns, agricultural interests, tribes, and environmental groups in all aspects of water law. His matters include water rights permitting, water transfers, conjunctive use arrangements, wastewater treatment and reuse, urban water management planning, water supply/demand evaluations under SB 610 and SB 221, infrastructure development and finance, and all other matters associated with the development, use, management, and transfer of water resources. He is also experienced in handling the myriad state and federal regulatory structures affecting the use of water, including the state and federal Endangered Species Acts, Magnusson-Stevens, the Clean Water Act and Porter-Cologne, CEQA, NEPA, Cortese-Knox-Hertzberg, and other laws.

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PROFESSIONAL BIOGRAPHY FOR  
**LISA D. WEIL**

Lisa Weil is an associate in the San Francisco office of Cox, Castle & Nicholson LLP where she focuses on the acquisition, financing and development of affordable housing projects. In addition, she assists owners and developers in the acquisition, disposition and financing of multifamily rental projects, commercial projects and retail developments.



Ms. Weil received her Juris Doctor degree from the UC Hastings College of Law in 1997 and completed her undergraduate education at the University of California at Berkeley in 1993.

Ms. Weil has published several articles relating to the Subdivision Map Act. She was a Contributing Editor of *California Subdivision Map Act and the Development Process*, 2nd edition and the Managing Editor of *Subdivision Map Act Manual*, 2000 edition. She also has co-authored an article on vested rights that was published in *The Urban Lawyer*.

Ms. Weil is a member of the State Bar of California.

Lisa Weil can be reached at (415) 262-5175 or [lweil@coxcastle.com](mailto:lweil@coxcastle.com).

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## Project Site Concept: Block 16, Site D

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### **Number of Units**

ROEM is proposing approximately 222 residential apartment units. At least 30% of the units will be three bedroom. The livable square footage of units will be approximately: one-bedroom (581 sq. ft.); two-bedroom (875 sq. ft.); and three-bedroom (1,100 sq. ft.). ROEM understands that a critical part of this development will be designing and constructing sufficient replacement parking to satisfy VTA. ROEM is committed to working with the City or Morgan Hill and VTA to ensure all parties interests are incorporated into the project.

### **Levels of Affordability**

The project rents will range from 30-60% AMI.

### **Sources and Uses of Funds**

ROEM recommends utilizing either 9% federal tax credits in two project phases or a single phased project utilizing 4% tax credit and bonds. Please refer to the Financial Plan at the back of this section for more information regarding the sources and uses for this financial strategy.

### **Construction**

A project may look great on paper. However, it is the craftsmanship and co-ordination of construction that realize design excellence and quality while controlling costs and schedule. As important, ROEM is sensitive to and is proactive in mitigating construction impacts to the surrounding neighborhoods. As a general contractor, ROEM Builders has the proven ability to plan and coordinate large scale residential projects successfully. Our recent 300-unit family project in San Jose was completed on budget and within 19 months where our crews worked through a winter that had over 30 inches of rain.

### **Programs and Services**

Beyond building affordable luxury housing, developing the community is an equal priority personally for CEO Robert Emami. Not only does ROEM have carefully planned developments with built-in free libraries stocking over 2,000 books in more than 5 languages at each site, but ROEM's resident services budget is approximately \$200,000 a year for the entire affordable portfolio. This budget includes free health and safety seminars, after school homework centers, and adult education programs at all family and senior communities. ROEM's community residents enjoy free computer centers with a variety of educational classes, recreational field trips, and local trips to shopping centers and doctor's visits.

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Residents enjoy cooking classes, pot lucks, birthday's and holiday parties. Almost all of our communities provide ESL (English as a Second Language) classes, exercise classes for adults, ballet and Tae Kwan Do for the children, even drumming classes during the early fall, summer reading programs, winter science programs, and many ongoing arts & crafts classes. We pride ourselves on providing these services to residents that improve the quality of life in our affordable communities.

Because ROEM realizes we cannot provide everything to our residents, we have partnered with many non-profit groups to increase our community giving. Some of our partners on past projects have included The Children's Discovery Museum, The Housing Trust of Santa Clara County, MACLA, Lyndale Elementary School, and many others.

## OUTREACH PLAN PROPOSAL

Our outreach plan for the proposed project reflects the cornerstone of ROEM's corporate philosophy: *An unwavering commitment to bringing communities together through quality housing.*

The foundation of this outreach plan is the belief that members of the public affected by the development have a right to know what the project team is doing in their community, and to participate in the decision-making process. ROEM is committed to early and meaningful participation throughout the project in order to ensure that community input is reflected in the final product. Our work with communities will also include efforts to address questions and concerns that are raised throughout the process. Achieving these goals will require ongoing interaction with the community, collaboration with city representatives, and the coordination of innovative strategies, including:

- Targeting of the community at large surrounding the project area with a special focus on the downtown area, commercial businesses, community groups, and other stakeholders within a half-mile radius.
- Regular interaction with the community and proactive sharing of information in an understandable way, ensuring that the public has appropriate opportunities for involvement.
- Obtaining a firsthand understanding of community interests and concerns.

Through this approach, residents will know that their concerns will be heard by the project team developers and city representatives, which will earn the trust of the community.

## OUTREACH OBJECTIVES

Our strategy for an effective outreach program for the proposed project is based on three objectives:

- 1) Develop a consistent, unified theme and message to communicate to the community;
- 2) Educate the community on the project and its benefits; and
- 3) Engage local decision makers and community leaders.

## OUTREACH PURPOSE/MESSAGE

Our outreach activities will promote the new development as an important element in the City of Morgan Hill. The project will further provide for a well-organized and intelligent design, which encourages transit use, is pedestrian-friendly, and promotes a compact, livable, and walkable community.

At the core of any effective outreach strategy is the use of clear, consistent, persuasive, and credible messages to communicate the benefits of the project to the community, and to gather the community's input and ideas as well. Throughout the public hearing process, study sessions, focus groups, and meetings with community stakeholders, ROEM will clearly communicate the benefits of the project to the Agency as described below.

The outreach efforts will address four elements of the project: (1) project design; (2) project development and construction; and (3) affordable family rental housing.

### **Project design**

The community will be apprised of the high quality project design. Through our team member architect KTG Y Group Inc., ROEM will share design plans, amenities, family-oriented features, and other plans for the development and will gather community input and comments on the proposed design.

### **Project development and construction**

The community will be informed and updated on the development schedule and timeline. Extensive efforts will be made to inform stakeholders of planned detours and traffic disruptions that will result from the construction project. Periodic updates will be posted at sites frequently visited by residents to keep them informed on the progress of the project.

### **Affordable family housing**

The new units will be targeted primarily to low-income family households earning 60% or less of area median income. Information will be made available at community meetings on the qualification process. Working with the Agency during the initial rent-up phase, information will be provided to community-based organizations serving low-income families who can share it with their clientele.

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## **OUTREACH STRATEGIES**

Working closely with Agency's staff, the outreach goals can be achieved through various channels such as participation in public hearings/study sessions, one-on-one or small group contact, educational materials/fact sheets distribution, business outreach, special events, public relations, and local media relations and special events.

### **Public meetings/study sessions**

These meetings will be used early in the planning stage to explain the design and construction process to the community. Holding public hearings at the beginning of the project development will provide a clear sign to the community that the project team wants to establish an open rapport. Throughout the design process, additional hearings and/or study sessions will be held to answer more specific questions and to inform the public about precisely what is occurring at the site.

### **One-on-one or small group contact**

This will be an effective method to communicate with the interest groups that wish to comment specifically on the project. We will utilize "trusted messengers" in the community to communicate with these groups in a non-threatening environment and facilitate a useful one-on-one exchange of information. Groups that will be contacted include the following examples:

### **Educational materials/fact sheet distribution**

Informational materials highlighting the timeline and progress of the project will be created and distributed to the community through the Agency and key community groups. Distribution may include:

- Community service locations like public libraries and post offices
- Commercial locations like local stores and restaurants
- Transportation service areas such as bus stops

### **Business outreach**

The business community can be an important ally during the public outreach process as traditional supporters of quality affordable housing development for employees. Those businesses within a half-mile radius will be kept informed of the project construction schedule through communication with specific business groups such as the local Chamber of Commerce. The outreach team will also solicit participation at formal meetings about the development. Large area retailers will also receive information about the project through direct mail, and will be invited to participate in special marketing and publicity events to gain visibility for the project. Cooperative partnerships may also be established with local businesses to augment outreach efforts and/or advertising campaigns.

### **Special events**

Once the community has been sufficiently engaged, a series of events will be planned to coordinate with the progress of the project. Special events may include: a groundbreaking ceremony, site tours, media tours and a grand opening celebration. These events will involve the community and demonstrate milestone achievements.

### **Public relations**

The outreach team will communicate with and enlist the support of community entities to increase awareness of the project. Joint marketing and outreach opportunities will be conducted with entities, such as schools, government agencies, faith-based and community-based organizations, that work with hard-to-reach residents.

)



This section provides examples for building relationships with key community stakeholders, such as elected officials, school administrators, and surrounding merchants to assist with informing their constituents about the new development.

- ***Educational institutions***

Schools provide rich opportunities for outreach efforts. They represent an opportunity to reach several audiences at once, including children, parents, and school employees. As a trusted messenger in the community, they can communicate credibly with families.

- ***Public and government agencies***

Public agencies serve as effective resources for residents to learn about upcoming events in the community. For example, The Department of Parks and Recreation has responsibility for issuing event permits. In addition, the police and fire department are actively involved in community activities such as block parties, etc.

- ***Faith-based organizations***

The faith-based community is a logical and important influencer to many people, making the religious community essential to effective outreach. Communities of faith have broad and rich traditions and serve as a trusted resource to their congregations. Keeping the faith-based communities informed about the project will help them inform their members.

- ***Community-based organizations***

Non-profit organizations have strong community ties and are a valuable tool in efforts to reach and influence residents, especially those considered hard-to-serve. Many CBOs are also known as trusted messengers because they not only conduct grassroots level outreach but also conduct person-to-person interaction with their clients.

### **Media relations**

A detailed, comprehensive, and cost-effective media strategy will be developed and implemented to generate publicity for the development. Media opportunities will be created to coordinate with the various phases of the project in order to engage the media. The following media materials will be developed as needed:

News releases will be prepared and distributed to local media outlets in the geographical areas identified. Specific "angles" will be developed and pitched to target media.

- Feature stories, guest columns and editorials will be relayed to target media. In addition, story opportunities and special events will be identified as they develop.
- Media kits will be prepared, including feature release, fact sheets (program highlights) and background information, as appropriate.
- Public service announcements will be created, produced and potentially placed with print, television and radio media outlets, including community calendars.
- A public affairs programming campaign will be planned and coordinated with the outreach team handling all logistics, including establishing contacts, securing placements, and scheduling appearances of spokespeople.

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## GREEN BUILDING PRACTICES

ROEM is committed to building healthy, safe, and sustainable environments for all of our affordable housing communities. All of our key staff in various divisions are trained and certified through Build It Green (BIG) and USGBC. We will proactively seek appropriate green building certifications through BIG and USGBC through potential incorporation of various of sustainable design measures as outlined below:

### Sustainable Sites

- Redevelopment of an underutilized urban site
- Bicycle Parking in below-grade garage
- Proposed reduced parking capacity adjacent to transit
- High density mixed use development

### Water Efficiency

- Water Efficient Landscaping
- Water Efficient fixtures
- Use of swales for storm water treatment/quality and retention

### Energy and Atmosphere

- Efficient HVAC systems for Common Spaces and Residences
- 100% fluorescent lighting
- Cat-V cabling to all units to promote internet access
- Energy Star appliances
- Insulated Windows with Low E coating
- Design for inclusion of Photovoltaic systems for common spaces
- Design for Solar Hot Water system for Central Common Use

### Materials & Resources

- Storage and collection of Recyclables for residents
- Divert at least 50% of construction waste from landfills
- High fly-ash concrete mix
- Recycled content carpet and/or natural flooring such as linoleum

### Indoor Environmental Quality

- Natural ventilation in all corridors
- Daylight at least 75% of all interior spaces
- Paint, adhesives and sealants with low VOC contents

## FINANCING PLAN

After exploring various financing strategies, ROEM is recommending pursuing competitive 9% tax credits in two project phases. While this financing structure is not an over-the-counter source, it allows greatest leverage of precious local housing funds. Due to the proposed size of this project, two phases will be necessary. This proposal contemplates the first phase with a second round 9% application submittal to the Tax Credit Allocation Committee in July, 2010 and a second phase in March 2011. The other financing option would be a 4% tax credit and bond financing plan. While this plan does not provide as much leverage to the City of Morgan Hill resources, it is an over the counter source and could be completed in a single phase. ROEM is open to collaborating further regarding these options.

## ADDITIONAL FUNDING SOURCES

### City of Morgan Hill Redevelopment Agency

The current financing plan proposes that the development of Block 16, Site D be funded, in part, through financial assistance from the City of Morgan Hill and the Redevelopment Agency. The assistance provided by City and the RDA would consist of three parts:

- 1) Construction and Permanent Loan
- 2) Deferral of Capital Facility Development Fees
- 3) Land Donation

The loan would be disbursed during the construction period and remain through conversion to permanent financing. The developer proposes to pay interest on the entire amount of City/RDA Assistance, under the following terms:

Term: 33 years  
Interest Rate: 4.00% (simple)  
Payment: 50% of residual cash flow

### Affordable Housing Program (AHP)

In addition to applying for an allocation of 9% Federal Low Income Housing Tax Credits, ROEM will also pursue an AHP (Affordable Housing Program) grant for the project. AHP funds totaling \$10,000 per restricted unit will be requested. The Federal Home Loan Bank administers this program. Two application rounds are held each year. Based on our review of the program guidelines and scoring criteria, the project will compete successfully for these funds. Applications for 2010 Round A are due April 1st, 2010. The AHP grant would be funded concurrently with construction loan closing. As these funds are given as a grant and require no repayment, cash flows will not be impacted by this financing source.

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## BENEFITS TO THE CITY & REDEVELOPMENT AGENCY

### A. Core Issues

**Issue:** *A high percentage of Morgan Hill renters paid more than 30% of their income on housing.*

**Benefit:** The project's income targeting levels effectively address this issue. Residents are matched to units which are appropriate to their income level. No household, whether low-income, very low-income or extremely low-income, will pay more than 30% of their gross income in rent.

**Issue:** *Large related renter households experienced overcrowding at all income levels.*

**Benefit:** The project will offer a much-needed alternative for families who are currently living in overcrowded conditions due to lack of choice and/or affordability in the ownership and rental housing markets. As noted above, Block 16, Site D will target families who are most susceptible to this problem: those earning between 30% and 60% of AMI.

### B. Additional Benefits

#### **Community Stability & Revitalization:**

The redevelopment of this site will contribute positively to the stability of the surrounding area and will be essential in promoting a safe and vibrant community. Block 16, Site D will be home to at least 200 new families who will live, work, play and shop in the area, thereby strengthening the social and economic base of the neighborhood.

#### **Job Creation and Retention:**

It is important to note that economic benefits result not only from direct construction activity but also from the impact of local residents who earn money from the construction activity and spend part of it within the area. According to a June 2009 study by the National Association of Home Builders, each 100-unit rental development leads to 122 construction-related jobs and 32 permanent jobs.



## RELEVANT DEVELOPMENT EXPERIENCE & CAPACITY

ROEM Corporation derives great satisfaction from its ability to create beautiful communities. We see ourselves as a positive catalyst for change in these once neglected neighborhoods. For the last 20 years we have built infill developments in neighborhoods throughout Santa Clara County and have expanded our development portfolio throughout California. We have proven we can create wonderful projects in the neighborhoods deserving development.

The following are examples of affordable residential developments in urban environments that demonstrate ROEM's collaborative team efforts and successes in:

- Designing and developing multifamily housing
- Utilizing and leveraging public financing mechanisms
- Developing affordable housing for various income levels

More detailed project information as requested in the RFQ for these communities is attached.

1. **Corde Terra Apartments** - San Jose, California
2. **Bella Castello Mixed-Use** - San Jose, California
3. **Monte Vista Gardens TOD** - San Jose, California

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**Project Name:** CORDE TERRA APARTMENTS  
**Construction Start:** October-05  
**Construction Completion:** June-07  
**Project Location:** 2600 Corde Tera Circle, San Jose, CA 95111  
**Project Concept:** Garden Style Family Apartments - 3 to 4 story as part of a multi-phase high density affordable and market rate family and senior housing on 11.4 acres adjacent to a recently completed health center.  
**Unit Count:** 300-low and moderate income  
**Development Cost:** \$73,500,000 (2007)  
**Financing Sources:** \$40.4MM Construction, \$24.2MM Perm by CALFHA, \$19.2MM City of San Jose  
**Project Team Members:** MIRO Design Group (Architects); MacKay&Soms (Civil); KPFF (Structural); Guzzardo (Landscape)  
**Project Design:** The 11.4-acre vacant land is owned by the County of Santa Clara. In 2001, the County created a master plan to revitalize the Santa Clara County Fairgrounds which includes housing and a County health center. ROEM in conjunction with the Housing Authority won a competitive RFP process to develop up to 544 dwelling unit of which 501 units are affordable rental units. Phase 1 - 4-story 300 multi-family housing units (61 du/ac), new private streets and 43 units of market rate detached single family homes (17 du/ac), and public park; Phase 2 - 4-story 201 senior housing units (120 du/ac). ROEM and its subsidiary MIRO Design Group developed a mixed-use community with three components. Successful integration of these uses required high quality design and construction of all components. ROEM successfully coordinated entitlements, design, and construction of shared private street with neighboring development. This project also included the construction of a public park on the neighboring school property.

**Property Management:** FPI, Inc.  
**Lease Up:** ~60 days  
**Current Occupancy:** 100%  
**Affordability Levels:**

Unit Type	% AMI	# of Units	Mix of Units By Bedroom Count
1-Bedroom	45%	29	
1-Bedroom	45%	56	
1-Bedroom	45%	30	115
2-Bedroom	MKT	1	
2-Bedroom	MKT	1	
2-Bedroom	48%	5	
2-Bedroom	48%	49	
2-Bedroom	48%	79	
2-Bedroom	45%	4	
2-Bedroom	45%	18	157
3-Bedroom	51%	12	
3-Bedroom	51%	13	
3-Bedroom	48%	3	28
Total =		300	

**Amenities:** Library/entertainment room, computer room, fitness room, kitchen, swimming pool, playground, and fireplace.  
**Programs:** Free health and safety seminars, educational classes, field trips, transportation to shopping centers and doctor's visits. Residents enjoy cooking classes, pot lucks, birthday's and holiday parties. ESL (English as a Second Language) classes, exercise classes for adults, summer reading programs, winter science programs, and many ongoing arts & crafts classes.  
**Other Spaces:** Management offices. Surface guests parking and two level of below-grade garage.  
**Mixed-Use Description:** Horizontal mixed-use with low-income affordable communities and market rate detached single family homes adjacent to a health center built by Santa Clara County.  
**Tenants:** Health Center (developed by Santa Clara County).  
**Public Sector Partners:** Housing Authority of the County of Santa Clara, City of San Jose, County of Santa Clara  
**Contact Information:** Jonathan Emami (408) 984-5600



## CORDE TERRA APARTMENTS, SAN JOSE





Novogradac

# Journal of Tax Credit Housing

February 2008, Volume I, Issue II

Published By Novogradac & Company LLP

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# Corde Terra Village Meets Great Need in San Jose, Calif.

By Anne Townsend, Staff Writer, Novogradac & Company LLP

In 2007, 300 families in San Jose, Calif. gained access to quality affordable housing with the completion of Corde Terra Village (Corde Terra), a 100 percent affordable, multifamily housing development. Corde Terra helps to meet an acute need for affordable housing in Santa Clara County where, according to the city of San Jose's Department of Housing, the area median income (AMI) hovers around \$100,000 for a family of four.



Corde Terra Village  
(Courtesy of ROEM Corp.)

The completion and full-occupancy of Corde Terra marks the first phase of the three-part Fairgrounds Affordable Housing Project. Other phases include the Villas at Corde Terra, which will be comprised of 43 single-family homes, and a to-be-named 200-unit senior affordable housing project. Corde Terra was developed by ROEM Development Corporation and provides housing to very low-income families with incomes below \$47,750 for a family of three, or \$53,050 for a family of four.

The need for Corde Terra and other affordable projects in the Santa Clara County area is great. A recent study issued by Bay Area Local Initiatives Support Corporation (LISC) and San Jose State University (SJSU) identified a need for more than 90,000 new affordable housing units in Santa Clara County over the next 20 years, with only 14,000 units having been built since 1999. Furthermore, the report states 40 percent of

those who seek rental housing in Santa Clara County must pay more than 30 percent of their gross income toward rent. Housing is generally considered unaffordable when the household pays rent that equals more than 30 percent to 35 percent of their income.

## Historic Investment

Corde Terra received more than \$32 million in low-income housing tax credits (LIHTCs), marking the largest tax credit award in the United States in 2005. JP Morgan Capital Corporation (JP Morgan) purchased the credits resulting in LIHTC equity of more than \$33 million. This purchase represents JP Morgan's single largest investment.



Grand Opening Reception  
(Courtesy of ROEM Corp.)

"We made the investment because of the strength of the development team, the need for affordable housing in San Jose and the rental advantage," said Patrick Nash, managing director of JP Morgan. "Our interest in the property is the result of a great working relationship with our syndicator partner, Hudson Housing Capital. An investment such as Corde Terra represents an excellent example of the public/private partnerships that are necessary to make a project such as this successful."

The total development cost of the project, exclusive of the land, was \$78 million. Other sources of funding for Corde  
*(continued on page 5)*



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Corde Terra Village  
(Photo courtesy of City of San Jose, Calif.)

Terra include lease of the land at a preferred annual rent from the County of Santa Clara for a term of 75 years; and tax-exempt bonds (TEBs) issued by the California Housing Finance Agency (CalHFA), which were used to provide a construction loan of \$40,405,000 and a permanent first mortgage loan in the amount of \$24,235,000 with a 40-year term and an interest rate of 5.7 percent. The city of San Jose provided a subordinate loan in the amount of \$20,715,000 with a 40-year term and 4 percent simple interest rate. The city will receive 35 percent of residual cash flow as repayment; no hard debt service payments are required.

### A Public-Private Partnership

Originally, the Santa Clara (County) Housing Authority (SCHA) and ROEM Corporation were to develop two projects on the single plot of land. However, each sponsor had its own vision of what its component of the residential complex should be and it soon became clear that the two entities would not be able to build and maintain two housing complexes on the one plot. The principals of both organizations determined it would make more sense to divide their efforts by responsibility and not physical space; as a result the organizations partnered and ROEM Corporation worked to develop the project while SCHA

undertook responsibility of managing the property. Other organizations playing key roles in the development of Corde Terra, such as financiers and governmental agencies, agreed to the partnership, which ROEM Corporation cites as unique in light of the radical restructuring.

"To merge the projects, the California Tax Credit Allocation Committee (CTCAC) required a new application showing the project on a merged basis. Since this was a 4 percent tax credit reservation rather than a 9 percent tax credit allocation, less tax issues were in play," said Marcus Griffin, CPA, director of finance for ROEM Corporation. "For the tax-exempt bonds, both projects had previously received a commitment from CalHFA. The commitments were converted to a single loan as part of the closing process."

### The Property

Corde Terra's 300 units are located in six buildings built on almost six acres of land previously incorporated within the Santa Clara County Fairgrounds in San Jose. The property includes 115 one-bedroom units, 155 two-bedroom units and 28 three-bedroom units (not including two two-bedroom units for staff). Monthly rents range in price from \$851 for a one-bedroom,

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Featured Development

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Special Feature

(continued from page 5)



Poolside reception for Grand Opening  
(Courtesy of ROEM Corp.)

one-bathroom unit to \$1,346 for a three-bedroom, two-bathroom unit — a bargain in the Bay Area, where rents continue to be some of the highest in the nation.

Corde Terra boasts amenities such as underground parking and an engaging courtyard system of pools, landscaping, a play area, and a community center with a fitness area, meeting space and a computer room. The project is located close to

downtown San Jose, major freeways and arterial streets, which link it to area jobs, services and amenities through direct access to public transportation.

Residents of Corde Terra have access to myriad social services provided by the not-for-profit Foundation for Affordable Housing VI Inc. Services include English as a second language (ESL) classes, an after-school program and children's summer programs. Residents also enjoy computer classes, continued education and access to a library. Educational, lifestyle, recreational, health and wellness programs are provided. Those who call Corde Terra home also find themselves engaged in activities that build community involvement with the surrounding neighborhood. Links to assistance programs, both on-site and off-site, are available. ❖



**B** <sup>VF</sup>  
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SEPTEMBER 14, 2007

# The Valley

www.mercurynews.com/news

## An affordable place to call home

MULTIPLE AGENCIES HELP MAKE  
CORDE TERRA VILLAGE A REALITY

By Deborah Lohse  
Mercury News

When it comes to housing, Tam Le is painfully familiar with what \$30,000 a year can — or can't — buy a struggling family.

Until recently, the Vietnamese immigrant, her assembly-line worker husband and their two children had to battle their landlord every time something went wrong in their run-down East San Jose apartment, from the mice and roaches that infested their kitchen to the plumbing that wouldn't stop backing up.

### CORDE TERRA VILLAGE

A map shows the location of the \$78 million complex.

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But two months ago, she and her family hit a jackpot of sorts: They, along with hundreds of other families plucked from similar housing situations, moved into Corde Terra Village, San Jose's newest, and arguably most luxurious, affordable-housing complex. Thursday, Le and others gathered to give thanks to the army of government and non-profit agencies whose work made

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Continued from Page 1B

the development possible.

"I feel very lucky," Le said through an interpreter.

At Corde Terra, for about \$1,000 a month, the family gets a new two-bedroom apartment plus a slew of amenities that includes free English classes in the community center, a pool and two small playgrounds for the kids, a fitness center, regular movie nights, potluck dinners, and festivities arranged by an on-site resident services coordinator.

Santa Clara County, in anticipation of the complex's arrival, even built its new, \$30 million medical center in front of Corde Terra.

The Corde Terra complex already seems to have set a new benchmark for occupancy, according to those attending Thursday's event. After opening in June, Corde Terra was fully leased within 30 days, and fully occupied soon thereafter — a feat for a new building that normally takes about a year. There's a closed waiting list with 500 more applicants.

"This demonstrates how desperately affordable housing is needed in your community," said Robert Emami, president of ROEM Development, the firm that built the center.

To get the \$78 million, 300-unit complex built, the county leased 10 of the 164 acres it owns as part of the county fairgrounds to ROEM for 75 years at below-market rates. The county also loaned ROEM \$1.45 million. San Jose's housing department also chipped in, providing a \$21 million, 4 percent loan.

Then a group of investors gave the developer an additional \$33 million, in return for the right to collect 10 years of federal tax credits generated by the building. That's be-

To move in, the low-income families must have clean credit, rental and criminal histories.

lieved to be the largest tax-credit financing of its kind in the state, officials said.

Finally, the county's non-profit Housing Authority was made a general partner in the project, letting ROEM avoid paying hundreds of thousands of dollars in property taxes on the property.

Because of those arrangements, ROEM's management company is able to charge rents such as \$852 for a one-bedroom apartment, up to \$1,332 for three-bedroom, two-bath units.

To move in, families must prove their low-income status, and they must have clean credit, rental and criminal histories — all of which management checks.

Most of Corde Terra's residents are Vietnamese, with roughly 20 percent Latino and a smaller share belonging to other ethnic groups, according to the building's management team.

Viet Hong, a former landscape worker going back to school to learn heating and air-conditioning repair, said he and his wife, Phong, had been renting a room from his sister, who has a four-bedroom house in Berryessa. But when Phong, a medical assistant who makes about \$40,000 a year, became pregnant with their now-11-month-old daughter, Amber, the couple had to find a new place.

They started to fret, however, after seeing apartment after apartment going for \$2,300 to \$2,500 a month.

Then they checked out Corde Terra, which they'd seen advertised in a Vietnamese paper. As a family of three, they could make no more than about \$49,000 — slightly more than half the area's median income — to qualify for a place there. Larger families can have slightly higher incomes.

## HOUSING | New complex is full

So what happens when Hong goes back to work, and the family's income goes up? As with most affordable-housing complexes, their income is allowed to rise to 140 percent of the starting maximum — in the Hong's case, up to about \$68,000.

Hong said he's glad for that because it lets his family stay at Corde Terra. "Because I have a baby, I want a good life for her," he said. "We feel safe here."

Contact Deborah Lohse at  
dlohse@mercurynews.com or  
(408) 275-0140.





REGIONAL REPORT

# WEST



With 300 apartments, Corde Terra Village is the largest affordable housing development in San Jose, Calif. It leased in a month, and more than 500 families are on a waiting list.

## Urban Village

San Jose's latest affordable housing project needed city, county, state, federal, and private support

BY DONNA KIMURA

**F**OR COLLEEN LAMARR, the new apartment she shares with her two young daughters means no longer commuting more than an hour to work.

Lamarr and her girls are one of the 300 families that have moved into Corde Terra Village, the newest affordable housing development in San Jose.

The justice systems clerk for the Santa Clara County Probation Department was regularly on the freeway for an hour and fifteen minutes or longer to get to work and then again to get back home. Now, her commute is 20 minutes, and she can spend more time with her kids.

"It's a godsend," said Lamarr, who had "applied for everything" before finding out about Corde Terra Village.

The three-bedroom apartment is a

big deal for her. The new community is a big deal in many other ways.

### Looming large

With 300 units, the \$78.5 million project is the largest affordable housing development in San Jose, the 10th-largest city in the nation.

The project, at more than 515,000 square feet, was also the fourth-largest construction project in the entire region, according to a recent report by the *Silicon Valley/San Jose Business Journal*. The largest is a giant office development with seven eight-story buildings.

Corde Terra Village also received one of the largest low-income housing tax credit (LIHTC) awards in the country in 2005, according to sponsors, which resulted in JPMorgan Capital Corp. making its single-largest LIHTC investment, at approximately \$33 million.

Most importantly, the community





fills a huge void. The apartments were leased in 30 days. "This demonstrates how desperately affordable housing is needed in the community," said Robert Emami, president of ROEM Development Corp., the local firm that built the community.

The family apartments are also part of a bigger plan. Along the perimeter of Corde Terra Village, ROEM has built 43 single-family, market-rate homes that sell for between roughly \$600,000 and \$700,000. More than half have been sold. The company is also building a 200-unit affordable seniors housing development nearby.

#### A public-private model

To create the new apartments, the support of city, county, and state agencies was needed. The extent of the public-private partnerships involved is one of the project's most noteworthy aspects. "It went to the next level," said Marcus Griffin, ROEM's director of finance.

The collaboration helped the project target families earning no more than 45 percent and 50 percent of the area median income. The one-, two-, and three-bedroom apartments have monthly rents between \$851 and \$1,346.

The joint effort begins with the land



Participants in the deal include (from left) Pat Nash, managing director of JPMorgan Capital Corp.; John Zeiler, CEO of Hudson Housing Capital; San Jose Mayor Chuck Reed; and Robert Emami, president of ROEM Development Corp.

underneath the project. Construction began in 2005 on property that was part of the county fairgrounds. Santa Clara County committed 12 acres, valued at

he said.

The California Housing Finance Agency issued tax-exempt bonds to provide a \$40.4 million construction loan and

about \$18 million, for the development through a 75-year lease at a below-market rate. In addition to rent, the county will receive 50 percent of residual cash flow.

The deal allows the county to generate revenue, raise the market value in the area with new development, and address the glaring need for affordable housing, said Blanca Alvarado, a member of the county Board of Supervisors. She is credited with being an early champion of the deal.

The county has built a new \$30 million health-care clinic in front of Corde Terra Village. It will also provide a \$1.45 million loan to the neighboring affordable seniors housing development.

An affiliate of the Housing Authority of the County of Santa Clara is the managing general partner. Having a nonprofit general partner allows the team to be exempt from paying hundreds of thousands of dollars in property taxes.

When the housing authority gives tours of its housing developments, they will begin at Corde Terra, said Alex Sanchez, executive director of the housing authority. "First impressions are everything,"



## REGIONAL REPORT

a \$24.2 million first mortgage with a 40-year term and a 5.7 percent interest rate.

The city of San Jose provided a \$20.7 million subordinate loan with a 40-year term and a 4 percent interest rate. The city will receive 35 percent of residual cash flow as repayment. No hard debt-service payments are required.

The development would not have happened without the cooperation of all the different parties, said San Jose Mayor Chuck Reed.

The end result is a development that shows "affordable housing can go in any neighborhood and be an asset," he said, standing in the project's landscaped courtyard, between a swimming pool and a large, stylish community room.

The development is made up of seven buildings constructed on top of an underground garage that can accommodate approximately 550 cars.

"This is one of the most handsome developments that I've seen across the country," said Patrick Nash, managing

director of JPMorgan Capital Corp., the LIHTC investor. The firm invested in the project because it liked both the San Jose market and the sponsor, he said.

The project also fits in with JPMorgan's strategy of trying to identify larger investment opportunities, Nash said. (AFFORDABLE HOUSING FINANCE is a publication of Hanley Wood, LLC, which is owned by affiliates of JPMorgan Partners.)

Hudson Housing Capital was the LIHTC syndicator. The project had a long gestation of about seven years, but ROEM and its partners stuck with it to create a high-quality development, said John Zeiler, CEO of Hudson, noting that two 4 percent LIHTC reservations were merged to create efficiencies.

### Feels like home

Like San Jose, Corde Terra Village is a diverse community. About 80 percent of the residents are Vietnamese, reflecting the city's growing Asian population. San

Jose, with the largest Vietnamese population of any U.S. city, saw the number of those residents swell from about 8,000 people in 1980 to nearly 80,000 by 2000.

The trend continues. Santa Clara County gained more Asians than any other county in the nation, nearly 18,000, from 2005 to 2006, according to the Census Bureau.

The new apartment community also has Latino, Caucasian, and other residents.

Services at the community include English classes, access to translation services, an after-school homework center, computer classes, and a full gym.

In addition to being steps away from the new health clinic, the apartments are located next to an elementary school and sports field.

Lamarr said the development looks and feels like the area's market-rate complexes.

For many of the residents, it is home. ■





# SILICON VALLEY / SAN JOSE

# Business JOURNAL

OCTOBER 28, 2005

96 N. Third St.  
Suite 100  
San Jose, CA 95112

## STRUCTURES

WINNER - AFFORDABLE HOUSING

## ROEM projects take affordable housing to complex infill sites



**AFFORDABLE:** Corde Terra project next to the Santa Clara County Fairgrounds is one of the affordable housing projects being developed by ROEM Corp.

BY DANEK S. KAUS  
sanjose@bizjournals.com

ROEM Corp., in Santa Clara, is being recognized for its body of work in developing a wide range of affordable housing communities.

Adjacent to the Santa Clara County fairgrounds in San Jose, the ambitious Corde Terra is being developed in partnership with the Santa Clara County Housing Authority. According to Erin Locke, marketing and asset manager for ROEM, ground was broken on Sept. 9.

Multiple buildings will offer 300 units of multi-family housing, with one to three bedrooms. In addition, 43 single-family homes are being developed and in a few years 198 senior apartments will be erected.

Amenities will include a swimming pool, spa, fitness room, computer room, after-school center, lots of open space and gardens. Ongoing education classes will be offered on site, as well.

"This is the largest affordable housing development to break ground in San Jose," Ms. Locke says.

The project was awarded \$33 million in tax credits, which Ms. Locke says is one of the largest ever awarded in the nation, and the largest ever awarded in San Jose.

Total cost of the project, excluding the land, will be \$78.5 million.

"This project is significant because of the size and complexity of the financing. It took many years to make the deal," Ms. Locke says.

Another notable project is Bella Castello Apartments. The infill project is located at 12th and Keyes in San Jose. When it is completed next March, it will offer 80 rental units built over a two-story underground garage.

According to Ms. Locke, the family apartments will be 100 percent affordable housing, available only to families who earn 30-60 percent of the area median income.

It will offer a wide range of free amenities such as a computer center for kids and adults, an after-school homework center and onsite library. The donut-shaped complex will have a community courtyard in the center.

"This is a perfect example of an infill development," Ms. Locke says. "The site was difficult to develop."

Covering 1.6 acres, the development is bounded by single family homes to the east, a railroad track to the north, mixed use to the west and a residential collector street to the south.

"Due to the variety of surrounding land uses, it was challenging to find a compatible solution

that met everyone's needs. Ultimately, ROEM was selected by the City of San Jose to provide affordability at its best," Ms. Locke says.

She says there is often a misconception that affordable housing means low quality. "The reality is that all of ROEM's affordable housing offers a high quality of life and is indistinguishable from market rate housing," Ms. Locke says.

To illustrate, she points to Oaks of Almaden, a senior project with 126 units that was finished in August 2004. It is located at 5050 Russo Rd., near Almaden Expressway and Highway 85. All of the units are designated to serve extreme low income residents, which Ms. Locke says is rare in San Jose. The units start at \$561 per month.

Despite the low price range, Oaks offers many amenities, including a computer room and computer classes, as well as other classes, some of which will teach English as a second language. A van provides free transportation for shopping trips and visits to the doctor. Residents are also taken on field trips, such as going to plays and visiting Chinatown in San Francisco and the Monterey Bay Aquarium.

"Because of the size and proximity of ROEM's affordable housing developments, we are able to combine resources for resident service programs in a very cost-effective manner, thereby increasing both the quantity and, most importantly, the quality of services to the residents," Ms. Locke says.

**DANEK S. KAUS** is a freelance writer based in Mountain View.



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## Tax credit key to housing deal

BY SHARON SIMONSON  
[ssimonson@bizjournals.com](mailto:ssimonson@bizjournals.com)

After years of negotiations and planning, the extraordinarily complex financing for the largest affordable housing project ever in San Jose was finalized this week and work on the 300-unit development has begun.

But in this case, project size is only one of several qualities that matter.

The deal marks a significant milestone in the development of affordable housing in the South Bay by virtue of its \$78.5 million pricetag — excluding the value of the land — and the \$33 million in federal tax credits that make the deal possible.

That's many times more than the typical affordable housing development, which entails \$5 million to \$10 million in tax credits, says Blake Davis, a senior vice president for Hudson Housing Capital, the New York firm buying the credits on the San Jose project.

"This is the largest deal we've ever done at Hudson since the company was founded in 1998," Mr. Davis says. "It will also be one of the biggest deals done in 2005 (nationally) in terms of the tax credits it generates."

The Corde Terra Family Apartments will sit on roughly 10 acres adjacent to Tully Road in East San Jose, land that was once part of the Santa Clara County Fairgrounds. When ready for occupancy in April 2007, units will go to families earning 60 percent or less of the area's median income, or \$63,660 a year or less for a family of four. Rents will range from \$851 a month for a one-bedroom apartment to \$1,346 for a three-bedroom unit.

Federal tax credits allow the holders to reduce their federal tax liability dollar for dollar. The federal government essentially forgoes the right to receive income taxes to encourage construction of affordable housing that is financed by the private sector.

In this case, the money put up to buy the tax credits is being used to help pay for the construction



**NEW LIVING ROOM:** Ground-breaking was held Sept. 9 for the Corde Terra project, shown in an artist rendering. The 12-acre project is located at 2600 Corde Terra Circle in San Jose and will be comprised of 300 units of affordable family housing and 43 single family homes.

of the homes, Mr. Davis says. The tax credits then are doled out over 10 years at roughly \$3.3 million a year. That reward over time ensures that the investors remain active in managing the project and that living standards within the project do not wane. The federal government retains the right to take back tax credits under certain conditions.

Hudson ultimately plans to sell the credits to third-party investors. Such investors are typically companies with significant annual net income such as banks and insurance companies that sometimes face "huge annual income tax bills," Mr. Davis says.

In addition to the tax credits, the investors also will receive the projected operating losses that the project will generate as it is depreciated over the next 40 years. While varying from year to year, those annual losses are generally about \$2 million and also can be used to shelter other income from taxes.

"This has been one of the most challenging deals that I've had to deal with to date," says Daniel A. Goncharoff, a certified public ac-

countant and the chief financial officer for the developer, ROEM Corp. of Santa Clara.

ROEM, which specializes in affordable housing construction along with a small group of other local companies, is developing the apartments in conjunction with the Housing Authority of Santa Clara County, a local non profit unaffiliated with county government.

"This is the largest, single affordable housing project that we've funded in San Jose" as measured by the number of units, says Mike Meyer, assistant director of the San Jose Housing Department.

The city's housing department has provided \$21 million in permanent financing for the project as well as \$19 million in construction financing that will be folded into the final loan. The city uses revenue generated by its redevelopment agency to finance affordable housing construction. Since 1999, it has built 7,000 affordable housing units in San Jose. It plans to build or have under construction another 3,000 by the end of next year, he says.

The California Housing Finance

Agency is supplying a \$24 million mortgage loan to round out the deal, using the proceeds from tax-exempt bonds.

The land beneath the complex is being leased by Santa Clara County, which will receive payments from the project of \$364,000 a year for the next 75 years.

Still in the works are 200 apartments planned for extremely low income seniors, also on the fairgrounds site.

Finally, as part of a related but separate deal, ROEM is buying just more than two acres next to the apartment development from the county. It is to pay \$2.523 million for the land and expects to build 43 single-family detached homes on the property. ROEM will sell those homes, which will range from 1,615 square feet to about 2,100 square feet, at whatever price the market will bear. Escrow for that sale is expected to close any day, says Pat Love, development and special projects director at Santa Clara County.

**SHARON SIMONSON** covers real estate for the Business Journal.

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**Project Name:** BELLA CASTELLO MIXED-USE  
**Construction Start:** January-05  
**Construction Completion:** June-06  
**Project Location:** 570 Keyes Street, San Jose, CA 95112  
**Project Concept:** Garden Style Family Apartments - 4 story with 2,000 sf office space.  
**Unit Count:** 88-extremely low and low income  
**Development Cost:** \$28,900,000 (2006)  
**Financing Sources:** \$9.1MM construction, \$9.1MM Perm by ARCS Commercial, \$4.265MM City of San Jose  
**Project Team Members:** MIRO Design Group (Architects); Civil Engineering Associates (Civil); People Associates(Structural)  
**Project Design:** Originally, this site served as overflow parking for the nearby Kelly Park. In 2002, ROEM was awarded the project through an RFP process conducted by the City of San Jose. ROEM winning design concept includes various tower elements and distinctive building facades with terra cotta tiled roofs organized around a central courtyard. The main challenge for the project was an undisclosed water main easement not documented on either title report nor survey. This was discovered during construction and the project had to be redesign to move propose building from the easement area. ROEM had to be resubmitted to TCAC in a new round which delayed the project for at least 6 months at which point the 9% tax credits was re-awarded. The project, however, was constructed on-time and on-budget. The entire housing project has been completed and leased since Summer 2006.

**Property Management:** FPI, Inc.

**Lease Up:** ~60 days

**Current Occupancy:** 95%

**Affordability Levels:**

Unit Type	% AMI	# of Units	Mix of Units By Bedroom Count
1 Bedroom	50%	4	
1 Bedroom	45%	8	
1 Bedroom	30%	2	14
2 Bedroom	Market	1	
2 Bedroom	60%	13	
2 Bedroom	50%	22	
2 Bedroom	45%	5	
2 Bedroom	30%	5	46
3 Bedroom	60%	6	
3 Bedroom	50%	18	
3 Bedroom	45%	1	
3 Bedroom	30%	3	28
Total =		88	

**Amenities:** Library/entertainment room, computer room, fitness room, kitchen, playground and landscaped courtyard.

**Programs:** Free health and safety seminars, educational classes, field trips, transportation to shopping centers and doctor's visits. Residents enjoy cooking classes, pot lucks, birthday's and holiday parties. ESL (English as a Second Language) classes, exercise classes for adults, summer reading programs, winter science programs, and many ongoing arts & crafts classes.

**Other Spaces:** Management offices. Surface guests parking and two level of below-grade garage.

**Mixed-Use Description:** 2,000 sf office space adjacent to bus stop.

**Tenants:** City of San Jose Neighborhood Office (currently in negotiation with RDA).

**Public Sector Partners:** City of San Jose

**Contact Information:** Jonathan Emami (408) 984-5600



## BELLA CASTELLO MIXED-USE, SAN JOSE









SILICON VALLEY / SAN JOSE

# Business JOURNAL

October 27, 2006

**WINNER**

## BELLA CASTELLO ROEM CORP.

Stylish development,  
yet keeping costs low

BY BECKY BERGMAN  
sanjose@bizjournal.com

As the local real estate market takes a breather, the disparity between affordable home-ownership and work force wages remains wide.

Affordable housing developer ROEM Corp. is doing its part to provide relief for community members otherwise locked out of homeownership by the expensive real estate market.

The company's most recent urban infill project, a \$90 million multi-family development for low-, very low- and extremely low-income households, opened in June at the corner of Twelfth and Keyes streets, boasts one-, two- and three-bedroom units amid a private courtyard and 2,500 square feet of ground-level retail.

The city provided nearly \$4.2 million worth of land and cash for the development and architectural, engineering, permit and financing fees, respectively.

The Santa Clara developer financed the deal with two loans totaling \$31 million from Wachovia Bank, a \$9.1 million construction loan from Sernas Bank and tax credits worth \$13.5 million.

Located on a 1.6-acre parcel in San Jose, the residents at Bella Castello have free access to the development's homework and fitness center, library, ESL classes, computer learning center and community center, where resident activities are frequently scheduled.

Since Robert Emami launched ROEM Corp. in 1978, he has specialized in high-end single-family homes, townhomes, luxury homes and multi-family projects in San Jose. The company has developed more than 10,000 housing units.

## AFFORDABLE HOUSING DEVELOPMENT OF THE YEAR



JOHN CAMPBELL

The Bella Castello multi-family housing development in San Jose features a fitness center, library and other high-end amenities.

Mr. Emami has earned a reputation around the valley for building market-rate housing that includes commercial, educational and recreational elements. The company likes to incorporate luxury features like Japanese gardens, Spanish garden-style apartments, garden courts and fitness centers into its projects.

"One of the best things about their projects is the affordability," says Maury Kendall, a communications manager for Housing Trust of Santa Clara. "ROEM does great work in providing homes that are affordable to Silicon Valley families and they do it at a profit. We are grateful for the work they do; they complement the work we do with our nonprofit developers."

ROEM has given the Housing Trust substantial donations and pledges over the years, says Mr. Kendall. Since its founding in 2001, the trust has distributed \$1 billion worth of affordable housing funds, providing more than 3,500 new housing units throughout the county.

ROEM has constructed more than \$200 million worth of affordable housing units in San Jose and has another \$100 million in the pipeline.

"Promoting diversity and extending the opportuni-

ty of living in a safe and satisfying environment through affordable housing is essential to the overall success of our community," says Mr. Emami. "We believe and we have proven that beautiful and affordable residential homes for sale or lease can be built when the private sector works hand in hand with local municipalities and the efforts of good non-profit organizations."

Mr. Emami also devotes many hours and dollars to various organizations around the valley, including the annual Latinas against Breast Cancer Mother's Day Walk, the Vietnamese American National Gala (VANG), Turn Around, a scholarship program for youth who have turned their lives around and the Community Resource Fair.

"Our communities belong to families who came here from all over the world to be in [California]," says Mr. Emami. "I am working to make sure that all hard working families, incomes, ages and nationalities have a place to live, a place to grow a family and a place to call home here in the Silicon Valley."

BECKY BERGMAN is a freelance writer based in North Carolina.



**Project Name:** MONTE VISTA GARDENS TOD  
**Construction Start:** Various beginning June-2000  
**Construction Completion:** Various beginning March-2002  
**Project Location:** 2605 La Hacienda Court, San Jose, CA 95127  
**Project Concept:** Mid Rise Family/Senior Apartments - 3 to 4 story in a multi-phase high density transit oriented development with affordable/market rate family and senior housing on 10.25 acres  
**Unit Count:** 300-low and moderate income  
**Development Cost:** \$53,642,142 (2001-03) for all three phases  
**Financing Sources:** See below  
**Project Team Members:** James Guthrie & Associates (Architects); Civil Engineering Associates (Civil); People Associates (Struct.)  
**Project Design:** Originally a vacant shopping center, the site was blighted and a magnet for the homeless. In early 1999, ROEM acquired the site, coordinated the entitlement process, and started construction in July 2000. The entire development was completed in November 2003. Some of the challenges for this project are the need for VTA (the regional transit agency) to encourage ridership, neighbors' perception of "affordable" housing, and creating an urban character while including quality open spaces for the community. ROEM and the project designers worked closely with community, VTA staff, and the City to develop a clear consensus on the program.

**Property Management:**

FPL, Inc.

**Lease Up:**

~60 days

**Current Occupancy:**

100%

**Affordability Levels:**

Affordability Levels:	Unit Type	% AMI	# of Units	Mix of Units By Bedroom Count
<b>Phase 1 - 69 senior units</b>	1-Bedroom	50%	33	
\$3.74MM Construction loan-KeyBank,	1-Bedroom	45%	28	
\$3.74MM Permanent loan-Red Mort. Cap,	1-Bedroom	30%	7	68
\$4.645MM City of San Jose Loan.	2-Bedroom	MKT	1	1
	Total =		69	
<b>Phase 2 - 144 family units</b>	1-Bedroom	MKT	5	
\$10.689MM Construction loan-KeyBank,	1-Bedroom	50%	1	
\$10.69MM Permanent loan-Red Mort. Cap,	1-Bedroom	35%	6	
\$4.9MM City of San Jose Loan.	1-Bedroom	30%	12	24
	2-Bedroom	MKT	16	
	2-Bedroom	50%	50	
	2-Bedroom	35%	6	72
	3-Bedroom	MKT	9	
	3-Bedroom	60%	38	
	3-Bedroom	50%	1	48
	Total =		144	
<b>Phase 3 - 49 senior units</b>	1-Bedroom	50%	26	
\$3.665MM construction loan-KeyBank,	1-Bedroom	45%	22	48
\$3.665MM Permanent loan-Newman,	1-Bedroom	MKT	1	1
\$4.813MM City of San Jose loan	Total =		49	

**Amenities:**

Library/entertainment room, computer room, fitness room, kitchen, swimming pool, playground, fireplace.

**Programs:**

Free health and safety seminars, educational classes, field trips, transportation to shopping centers and doctor's visits. Residents enjoy cooking classes, pot lucks, birthday's and holiday parties. ESL (English as a Second Language) classes, exercise classes for adults, summer reading programs, winter science programs, and many ongoing arts & crafts classes.

**Other Spaces:**

Bus transfer station. Light rail station. VTA offices. Surface parking with carports.

**Mixed-Use Description:**

Multi-phase housing in Transit Oriented Development with bus transfer station and light rail station built by Valley Transportation Authority.

**Tenants:**

VTA offices

**Public Sector Partners:**

Valley Transportation Authority and City of San Jose

**Contact Information:**

Jonathan Emami (408) 984-5600



## MONTE VISTA GARDENS TOD, SAN JOSE









## DEVELOPMENT EXPERIENCE & CAPACITY

### Development Capacity

ROEM currently has a moderate list of about a dozen projects that are in various stages of development from predevelopment through construction (see chart below). We have set in place an organization infrastructure system to expand with qualified in-house staff capacity to easily double the number of projects in the pipeline in the next several years.

As a cutting edge affordable housing developer, ROEM has had a successful track record in securing and maximizing leveraged subsidy financing for affordable housing. In addition to successfully securing standard industry sources such as tax credit, debts and equities, ROEM has been successful awarded funding from various sources such as HOME, MHP, AHP, CAL-reUSE, and MHSA HP. ROEM has the distinction of being the “first ever funded” under the State’s Supportive Services MHSA HP program for our project, Cedar Gateway, a mixed-use affordable housing project in San Diego.

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Project Name	Location	Unit Count	Type	Density
<i>Under Construction</i>				
Fairgrounds Senior Housing	San Jose, CA	201	Rental	126 du/ac
Rincon Gardens Apartments (GC only)	Campbell, CA	200	Rental	46 du/ac
<i>Preconstruction</i>				
Cedar Gateway	San Diego, CA	65	Rental/Mixed-use	147 du/ac
New Dana Strand Senior Apartments	Los Angeles, CA	100	Rental	47 du/ac
Brookwood Terrace Family Apartments	San Jose, CA	84	Rental	40 du/ac
Orvieto Family Apartments	San Jose, CA	92	Rental	53 du/ac
The Village at Broad Family Apartments	San Luis Obispo, CA	42	Rental/Mixed-use	15 du/ac
<i>Entitlement</i>				
Fresno Transit Village TOD	Fresno, CA	133	Rental/TOD	38 du/ac
North First Street Family	San Jose, CA	184	Rental	62 du/ac
North First Street Senior	San Jose, CA	106	Rental	100 du/ac
<i>Predevelopment</i>				
Downtown Family Development	Mountain View, CA	51	Rental	50 du/ac
Dittos Lane Apartments	Los Gatos, CA	32	Rental	20 du/ac
Orvieto Senior Apartments	San Jose, CA	150	Rental	87 du/ac
<b>Total =</b>		<b>1,440</b>		



## FINANCIAL CAPACITY OF DEVELOPER

ROEM currently possesses excellent financial and organizational capacity to successfully pursue equities and debt sources through long established industry relationships with financial institutions to complete the proposed project in a timely manner, in accordance with the City of Morgan Hill's goals and objectives.

To date, ROEM has no financial default, mortgage assignment or workout arrangement, foreclosure, bankruptcy, litigation relating to financing or construction of projects, tax-exempt bond financing default, real estate tax delinquencies, and non-monetary defaults. ROEM is not currently involved in any litigation or disputes that could result in a financial settlement which may have a materially adverse effect on ROEM's ability to execute this project. At no point in the past has ROEM filed for bankruptcy or had a project or property which was foreclosed.

## Sources of Equity & History of Raising Capital

Over the past eight years, ROEM has successfully secured allocations of Federal Low Income Housing Tax Credits for twelve affordable developments, totaling 1,399 units. We have worked successfully with numerous limited partner tax credit investors to ensure competitive tax credit pricing and adequate project capitalization.

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Project	Tax Credit Program	Tax Credit Awarded	Bond Allocation	Tax-Credit Price	Federal Credits Allocated	State Tax Credits Allocated	Limited Partner Investor	Current Occupancy
Cedar Gateway	9%	10/8/2008	NA	\$0.8525	\$16,500,000		Alliant Capital	construction to begin 3/09
Fairgrounds Senior Housing	4%	1/23/2008	\$28,000,000	\$1.015	\$19,924,740		Hudson Housing Capital	under construction
Corde Terra Apartments	4%	9/24/2004	\$23,165,000	\$1.03	\$19,610,636		Hudson Housing Capital	100%
Bella Castello	9%	10/5/2004	NA	\$0.95	\$13,517,200	\$5,006,371	Wachovia	100%
Oaks of Almaden	4%	3/26/2003	\$8,350,000	\$0.84	\$7,334,660		Richman Group	99%
Hacienda Villa Creek	4%	6/24/2002	\$7,000,000	\$0.83	\$6,177,930		SunAmerica	98%
Monte Vista Gardens Senior I & II	4%	12/19/2001 9/23/2002	\$3,465,000 \$200,000	\$0.88	\$3,340,540		Keybank	97%
Monte Vista Gardens	9%	11/29/2000	NA	\$0.84	\$4,192,294		Boston Capital	95%



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ROEM has a long and consistent track record of successfully securing debt and equity financing via sources at the Federal, State, and local level, including:

1. COVER LETTER
  - **City Housing Department Funds**
  - **City Redevelopment Agency Funds**
  - **The Department of Housing and Community Development**
2. DEVELOPMENT TEAM
3. PROPOSED SITE CONCEPT
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  - Housing Assistance Program
  - HOME Investment Partnership
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5. FINANCIAL CAPACITY
  - **US Department of Housing and Urban Development**
  - Project-Based Section 8
6. REFERENCES
  - **California Housing Finance Agency**
  - MHSA Operating Subsidy
  - MHSA Gap Loan
  - CalHFA Gap Loan
  - CalHFA Permanent Financing
  - **California Pollution Control Financing Authority**
  - California Recycle Underutilized Sites (CALReUSE) Program
  - **Funding from Non-Profit Organizations**
  - Corporation for Supportive Housing (CSH)
  - Silicon Valley Housing Trust

### Real Estate Development Portfolio

Project	Type	Units	Occupancy
Monte Vista Gardens	Family	144	95%
Monte Vista Senior I	Senior	69	97%
Monte Vista Senior II	Senior	49	96%
Gadberry Court	Senior	55	98%
Rose Gardens	Senior	66	98%
Shiraz Senior Housing	Senior	61	100%
Hacienda Creek Villas	Senior	80	98%
Summer Breeze Apartments	Family	160	99%
The Oaks of Almaden	Senior	126	99%
Bella Castello	Family	88	100%
Corde Terra Village	Family	300	100%
Fairgrounds Senior Housing	Senior	201	n/a
<b>Total/Average</b>		<b>1,399</b>	<b>98.23%</b>

## REFERENCES

### **Patrick Love, Asset and Economic Development Director**

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*Relationship to Firm: Equity Partner*

### **Alex Sanchez, Executive Director**

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*Relationship to Firm: General Partner*

### **Kristen Clements, Housing Finance Manager**

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*Relationship to Firm: Bond Issuer & Lender*

### **Christopher Martinier, Director of Acquisitions**

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## County of Santa Clara

Office of the County Executive

County Government Center, East Wing  
70 West Hedding Street  
San Jose, California 95110  
(408) 299-5105



May 8, 2007

To Whom It May Concern:

The County of Santa Clara is very pleased to be working with ROEM Development Corporation on our 543-unit Corde Terra housing development in San Jose. We have enjoyed a mutually beneficial relationship with ROEM since we selected them as our developer in 2000. Originally, ROEM was teamed up for this project with the Housing Authority of the County of Santa Clara, but the Housing Authority was so confident of ROEM's capabilities that they agreed to have ROEM be the sole developer, and the County has concurred.

Part of the reason for our selection of ROEM was the quality of their previous developments, which we evaluated during the selection process. ROEM has a very strong reputation for building quality projects, and their affordable housing developments truly do look like market rate housing and have many amenities not found in other affordable developments. We are also pleased with ROEM's commitment to making a difference in the community and their business integrity. Over the past ten years they have established themselves as experts in the complex world of affordable housing contract and financing terms.

ROEM has performed very well in executing the 300-unit multi-family affordable project, along with 43 single-family homes, both phases scheduled to open this summer, despite having to overcome major weather problems in 2006. ROEM is now prepared to undertake the 200-unit senior housing project on the same site. We are very confident of their abilities to develop and manage these projects, due to their strong in-house expertise in development, design, construction, financing and management.

The Corde Terra project has been a unique public-private partnership with ROEM Development, with the County carving out a parcel of surplus land and ground-leasing it below market rate, and ROEM securing additional financing partnerships with the City of San Jose, the County Affordable Housing Department, and institutional investors. The housing development is co-located with a major new County health clinic, providing a complete range of outpatient medical services to all residents. It is also adjacent to an existing primary school, and ROEM has voluntarily upgraded the schoolyard facilities to create a park for the benefit of the students and the Corde Terra residents.

Board of Supervisors: Donald F. Gage, Blanca Alvarado, Pete McHugh, Ken Yeager, Liz Kniss  
County Executive: Peter Kuras, Jr.





ROEM Development  
Corde Terra  
May 8, 2007  
p.2

I would be pleased to discuss our successes with anyone who is interested in learning more about this public-private partnership or answer any questions about our relationship with ROEM. I can be reached directly at 408-299-5155, or by email: [patrick.love@ceo.sccgov.org](mailto:patrick.love@ceo.sccgov.org).

Sincerely,



Patrick Love  
Asset and Economic Development Director



Patrick J. Nash  
Managing Director

April 14, 2008

To Whom It May Concern:

JPMorgan Capital Corporation, a unit of JPMorgan Chase, N.A., served as the LIHTC equity investor for ROEM's 300 unit affordable housing development Corde Terra Family, in San Jose, CA. Corde Terra represents our firm's single largest tax credit investment at \$33 MM.

Having invested in over 500 LIHTC developments, I can attest that Corde Terra ranks as one of the finest developments of its kind in the country. ROEM demonstrated that it can deliver a complex and large affordable housing project on-time and on-budget, while maintaining very high quality. JPMorgan Capital Corporation looks forward to a continuing relationship with ROEM Development.

Please contact me at (312) 732-7460 or email at [patrick.nash@jpmorgan.com](mailto:patrick.nash@jpmorgan.com) for further questions.

Sincerely,



Patrick J. Nash  
Managing Director

JPMorgan Capital Corporation • 10 South Dearborn, Mail Code IL1-0502, Chicago, IL 60603

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[www.hacsc.org](http://www.hacsc.org)

February 20, 2008

To Whom It May Concern:

This letter will serve as a strong positive reference for ROEM Corporation, a full service architectural design, development and construction company with its corporate headquarters in Santa Clara, California.

The Housing Authority of the County of Santa Clara (HACSC) and ROEM are development partners on a 300 unit multi-family apartment project known as Corde Terra Family Apartments, which was the largest tax credit project in the nation in 2004. Originally planned as two projects totaling 300 multi-family units, where each entity were to manage and build its own portion, ROEM was able to come in with their in-house general contractor ROEM Builders Inc. and in-house architectural firm MIRO Design Group and ultimately save the project time and money by completing all 300 units. ROEM has successfully taken this project from design and on through entitlements and began construction in September 2005. The project was completed on scheduled in June 2007 and was leased up with 100% occupancy within two months.

In March 2007, ROEM was unanimously awarded the County of Santa Clara Fairgrounds Senior Housing project through a RFP process for by the Board of HACSC. This project will provide about 200 units of extremely low income housing for senior.

HACSC has been working with ROEM since 2003 and is very pleased with our working relationship. We can attest that ROEM has performed excellently thus far. We are looking forward to continuing our relationship and working on the Fairgrounds Senior project in conjunction with ROEM and anticipate a great project when it is completed.

If you would like to speak with me concerning ROEM Corporation and our work with them, please contact me directly at 408-993-2902 or at [alexs@hacsc.org](mailto:alexs@hacsc.org).

Sincerely,



Alex Sanchez  
Executive Director





*Department of Housing*  
LESLYE KRUTKO, DIRECTOR

February 20, 2008

To Whom It May Concern:

I am pleased to write this letter of reference for ROEM Development Corporation ("ROEM").

Over the last seven years, ROEM has completed 11 affordable housing communities in the City of San José, generating 1,198 new affordable housing units. ROEM has distinguished itself by consistently building developments of high quality that are aesthetically pleasing and that create a quality living environment for their residents.

Corde Terra Family Apartments, ROEM's most recent affordable multifamily project in the City, is unusually attractive and constitutes a significant, positive impact on its surrounding neighborhood. ROEM currently has another funding application pending for the adjacent Fairgrounds Seniors project, which is expected to break ground in 2008.

As an organization, ROEM personnel are proactive, organized and committed to working with the City of San José. We look forward to continue developing new affordable housing communities together.

If you have any questions, please feel free to contact me at (408) 535-8236.

Sincerely,

Kristen Clements  
Housing Finance Manager